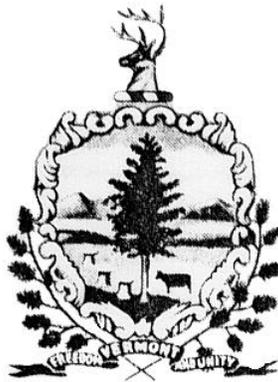


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*Senator Starr explained his vote as follows:

“I voted ‘yes’ but have very grave concerns over our future spending needs.”

Rules Suspended; Bills Messaged

On motion of Senator Campbell, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 211, S. 220, H. 88, H. 123, H. 217, H. 681, H. 823.

Rules Suspended; Action Messaged

On motion of Senator Campbell, the rules were suspended, and the action on the following bills was ordered messaged to the House forthwith:

S. 70, S. 275.

Adjournment

On motion of Senator Campbell, the Senate adjourned until nine o'clock and thirty minutes in the morning.

FRIDAY, MAY 2, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 61

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill entitled:

H. 297. An act relating to duties and functions of the Department of Public Service.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Young of Glover
Rep. Marcotte of Coventry
Rep. Condon of Colchester

Message from the House No. 62

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 883. An act relating to prekindergarten–grade 12 education districts.

In the passage of which the concurrence of the Senate is requested.

The House has adopted joint resolution of the following title:

J.R.H. 23. Joint resolution relating to the cleanup of Lake Champlain.

In the adoption of which the concurrence of the Senate is requested.

Bill Referred to Committee on Appropriations

H. 329.

House bill of the following title, appearing on the Calendar for notice and carrying an appropriation or requiring the expenditure of funds, under the rule was referred to the Committee on Appropriations:

An act relating to use value appraisals.

Joint Resolution Referred

J.R.H. 23.

Joint resolution originating in the House of the following title was read the first time and is as follows:

Joint resolution relating to the cleanup of Lake Champlain

Offered by: Representatives Deen of Westminster, Stevens of Shoreham, Bartholomew of Hartland, Browning of Arlington, Connor of Fairfield, Martin of Springfield, Toleno of Brattleboro, Walz of Barre City, and Zagar of Barnard

Whereas, the quality of life in Vermont is tied to clean water that attracts businesses and tourists to Vermont; provides opportunities for swimming, boating, fishing, and viewing wildlife; and is a source of clean drinking water, making clean water an important driver of the State economy and a vital part of our quality of life, and

Whereas, nutrient loading of phosphorous and nitrogen resulting from activities on the land in the Lake Champlain, Connecticut River, and Lake Memphremagog basins causes negative impacts on water quality, including algal blooms of cyanobacteria or blue-green algae that harms animals and people, impairs recreational uses, diminishes aesthetic enjoyment, adversely affects the taste of drinking water, and harms the biological community, and

Whereas, the cost of addressing the negative effects of nutrient pollution in Vermont waters will continue to mount unless Vermont takes action now to reduce the impact of land uses in order to curb the loading of nutrients into our waters, including Lake Champlain, and

Whereas, a Total Maximum Daily Load (TMDL) is a pollution budget approved under the Clean Water Act that caps the total amount of a pollutant that may enter an impaired body of water, and

Whereas, the Clean Water Act is concerned with controlling both “point sources” of pollution that include discharges from “discernible, confined and discrete conveyances” such as pipes, ditches, and tunnels, as well as “nonpoint sources” of pollution that include discharges from overland runoff, precipitation, atmospheric deposition, drainage, seepage, or hydrologic modification, and

Whereas, in January 2011, the U.S. Environmental Protection Agency (EPA) revoked its approval of the Vermont portion of the Lake Champlain TMDL, primarily because the plan did not provide sufficient reasonable assurances that the necessary reductions would be achieved from nonpoint sources of phosphorous, and

Whereas, EPA is developing a new TMDL to reduce the total loading of phosphorous into Lake Champlain from Vermont sources from 533 metric tons per year to 343 metric tons per year, a reduction of 39 percent, and

Whereas, the Vermont Department of Environmental Conservation (DEC) prepared a draft Phase I Implementation Plan for the new Lake Champlain TMDL that was presented to EPA that includes, among other measures, reduction of nonpoint phosphorous pollution from urban and suburban stormwater, agricultural stormwater, stormwater from roads, sediment and phosphorous discharges caused by stream bank erosion, and sediment and phosphorous discharges from forestry practices, and

Whereas, the broad policy commitments in the Phase I Implementation Plan are intended to provide EPA with reasonable assurance that the State can achieve reduced phosphorous loading largely through those nonpoint sources of phosphorous, and

Whereas, the Phase I Implementation Plan will serve as a model to improve water quality in water basins throughout Vermont, and

Whereas, implementation of the new TMDL will require significant resources over the next two decades, placing demands on Vermont municipalities, businesses, and farmers, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly requests that EPA accept as “reasonable assurance” Vermont’s proposed Phase I Implementation Plan, when funded appropriately, and be it further

Resolved: That the General Assembly requests the U.S. Congress provide federal funds for a significant portion of the costs of implementing a comprehensive approach to cleaning up all of Vermont waters for the new Lake Champlain TMDL, and be it further

Resolved: That the General Assembly requests the Administration propose additional new dedicated revenue sources to pay for an appropriate portion of the costs of cleaning up all the waters of Vermont and to implement the new Lake Champlain TMDL in a manner that minimizes financial impacts on Vermont farmers, businesses, and communities and spreads those costs fairly, and be it further

Resolved: That, despite the Administration’s unwillingness to work with the General Assembly this year, the General Assembly will work with the Administration during the next biennium to enact legislation to ensure that Vermont has the legal authority and resources necessary to implement the cleanup of Vermont waters and the new TMDL, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Administrator of the Environmental Protection Agency and the Vermont Congressional Delegation.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was treated as a bill and referred to the Committee on Natural Resources and Energy.

Bill Referred

House bill of the following title was read the first time and referred:

H. 883.

An act relating to prekindergarten–grade 12 education districts.

To the Committee on Rules.

Bill Passed in Concurrence with Proposal of Amendment**H. 270.**

House bill of the following title:

An act relating to providing access to publicly funded prekindergarten education.

Was taken up.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment?, on a roll call, Yeas 19, Nays 9.

Senator McAllister having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Campbell, Cummings, Doyle, French, Galbraith, Hartwell, Lyons, MacDonald, McCormack, Mullin, Nitka, Pollina, Sirotkin, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Flory, Kitchel, Mazza, McAllister, Rodgers, Sears, Snelling, Starr.

Those Senators absent and not voting were: Bray, Collins.

Bill Passed in Concurrence with Proposal of Amendment**H. 612.**

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to Gas Pipeline Safety Program penalties.

Bill Passed in Concurrence with Proposal of Amendment**H. 735.**

House bill of the following title:

An act relating to Executive Branch and Judiciary fees.

Was taken up.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 21, Nays 6.

Senator Galbraith having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Cummings, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Doyle, Flory, McAllister, Mullin, Westman.

Those Senators absent and not voting were: Bray, Campbell, Collins.

Bill Passed in Concurrence with Proposal of Amendment**H. 882.**

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to compensation for certain State employees.

Bill Amended; Third Reading Ordered**S. 308.**

Senator Baruth, for the Committee on Economic Development, Housing and General Affairs, to which was referred Senate bill entitled:

An act relating to regulating precious metal dealers.

Reported recommending that the bill be amended by striking out Secs. 3–7 in their entirety and inserting in lieu thereof new Secs. 3–6 to read:

Sec. 3. 9 V.S.A. chapter 97A is added to read:

CHAPTER 97A. PRECIOUS METAL DEALERS**§ 3881. DEFINITIONS**

As used in this chapter:

(1) “Antique” means an item, including a collectible coin, that is:

(A) collected or desired due to age, rarity, condition, or other similar unique feature;

(B) purchased for the purpose of resale; and

(C) sold in the same unique form or condition as when it was purchased, and not for scrap.

(2) “Criminal history record” means all information documenting a natural person’s contact with the criminal justice system, including data regarding identification, arrest or citation, arraignment, judicial disposition, custody, and supervision.

(3) “Disqualifying offense” means:

(A) a felony under:

(i) 13 V.S.A. chapter 47 (fraud);

(ii) 13 V.S.A. chapter 49 (fraud in commercial transaction);

(iii) 13 V.S.A. chapter 57 (larceny and embezzlement); or

(iv) 13 V.S.A. chapter 84 (possession and control of regulated drugs); or

(B) a violent felony under 18 V.S.A. § 4474g(e); or

(C) one of the following misdemeanors, if a conviction for the misdemeanor occurred within the ten years preceding the date on which the convicted person applies for a certification to do business as a precious metal dealer:

(i) petit larceny in violation of 13 V.S.A. § 2502;

(ii) receipt of stolen property in violation of 13 V.S.A. § 2561;

(iii) false pretenses or tokens in violation of 13 V.S.A. § 2002; or

(iv) false tokens in violation of 13 V.S.A. § 2003; or

(D) a violation of this chapter punishable under subdivision 3890(c)(2) of this title.

(4) “Engaged in the business of purchasing or selling precious metal” means conducting a regular course of trade in precious metal with retail buyers or sellers, and does not include:

(A) retail trade in new precious metal;

(B) trade in precious metal that is exclusively wholesale, including business-to-business transactions for precious metal used in medical and dental applications; or

(C) trade in precious metal commodities for the purpose of investment, including bullion, commodities funds, or commodities futures.

(5) “Precious metal” means used gold, silver, platinum, palladium, coins sold for more than face value, jewelry, or similar items, but does not include an antique.

(6)(A) “Precious metal dealer” means a person who:

(i) has a physical presence in this State, whether temporary or permanent;

(ii) is engaged in the business of purchasing or selling precious metal; and

(iii) purchases or sells \$2,500.00 or more of precious metal in a consecutive 12-month period.

(B) "Precious metal dealer" does not include a charitable organization that is qualified as tax exempt under 26 U.S.C. § 501.

(7) "Principal" means a natural person who is a director, officer, member, manager, partner, or creditor.

§ 3882. CERTIFICATION REQUIRED

(a) Certification from the Department of Public Safety is required to conduct business as a precious metal dealer in this State.

(b) An application for certification shall include for each applicant and its principals:

(1) the name, address, telephone number, and valid e-mail address or other electronic contact information;

(2) the name of, and the nature of the affiliation with, any business involving the purchase or sale of precious metal within the past five years;

(3) the age, date, and place of birth of each natural person;

(4) the residential address and place of employment of each natural person; and

(5) any crime of which a natural person has been convicted and the date and place of conviction.

(c) The Department shall not issue or renew a certification if an applicant or one of its principals has been convicted on or after January 1, 2015 of a disqualifying offense.

(d)(1) Prior to issuing or renewing a certification pursuant to this section, the Department shall obtain a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation for an applicant and each of its principals.

(2) A person for whom a record is requested shall consent to the release of criminal history records to the Department on forms substantially similar to the release forms developed in accordance with 20 V.S.A. § 2056c.

(3) Upon obtaining a criminal history record, the Department shall promptly provide a copy of the record to the person who is the subject of the record and shall inform the person of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the Department.

(4) The Department shall comply with all laws regulating the release of criminal history records and the protection of individual privacy.

(5) No person shall confirm the existence or nonexistence of criminal history record information to any person who would not be eligible to receive the information pursuant to this chapter.

§ 3883. FEES; RENEWAL; REVOCATION OF CERTIFICATION

(a)(1) A person who applies for certification pursuant to section 3882 of this title shall pay a nonrefundable fee of \$200.00 to the Department of Public Safety.

(2) A certification shall expire two years from the date it is issued, and may be renewed upon payment of \$200.00 and approval of the Department.

(3) A fee collected under this section shall be used to administer the precious metal dealer certification process established pursuant to section 3882 of this title.

(b) The Department may revoke a certification for cause at any time during the period of the certification after notice and a hearing pursuant to 3 V.S.A. chapter 25.

(c)(1) The Department shall revoke a certification upon the conviction, on or after January 1, 2015, for a disqualifying offense by a precious metal dealer or one of its principals.

(2) The Department may revoke a certification upon the conviction, on or after January 1, 2015, for a disqualifying offense by an employee of a precious metal dealer acting within his or her scope of employment when he or she committed the offense.

(d) A precious metal dealer shall prominently display his or her certification number at his or her place of business, and shall include his or her certification number in each advertisement, in any medium, that promotes the business or services of the precious metal dealer.

§ 3884. PRIVATE RIGHT OF ACTION

A person injured by a precious metal dealer's violation of this chapter may bring an action against the dealer for damages arising from the violation.

§ 3885. RECORDS OF A PRECIOUS METAL DEALER

(a) For each item of precious metal sold to a precious metal dealer, he or she shall:

(1) assign a distinct entry number or, in the case of a lot of items, an entry number for the lot and a sub-lot number for each unmatched item in the lot;

(2) maintain the following records for each item or lot of items:

(A) the amount of money paid and the date and time of the transaction;

(B) the name, current address, and telephone number of the seller;

(C) a legible description written on the day of the transaction that includes for each item any distinguishing mark and name of any kind, such as brand and model name, model and serial number, engraving, etching, affiliation with any institution or organization, date, initials, color, vintage, or image represented;

(D) a digital photograph or video, taken at the time of the transaction, that references the entry number required under subdivision (a)(1) of this section and the date of the transaction;

(E)(i) a government-issued identification card issued to the seller that bears his or her photograph; or

(ii) a government-issued identification card and a digital photograph of the seller's face; and

(F) documentation of lawful ownership, including a bill of sale, receipt, letter of authorization, or similar evidence, provided that if these forms of documentation are unavailable, the seller shall submit an affidavit of ownership.

(b) A precious metal dealer who sells \$50,000.00 or more of precious metal in a consecutive 12-month period shall maintain the records required in this section in a computerized format that can be readily accessed, electronically transmitted, and reproduced in physical form.

(c)(1) A precious metal dealer shall retain the records required in this section for at least three years at his or her normal place of business or other readily accessible and secure location.

(2) At all reasonable times, the records required under this section shall be open to the inspection of law enforcement.

§ 3886. HOLDING PERIOD

A precious metal dealer shall retain precious metal that he or she purchases for no fewer than 10 days before offering an item for sale or for scrap, and he or she shall not remove an item from the State prior to the expiration of this 10-day period.

§ 3887. PURCHASE OF PRECIOUS METAL FROM PERSONS UNDER 18 YEARS OF AGE

A precious metal dealer shall not purchase precious metal offered for sale by a person under 18 years of age.

§ 3888. METHOD OF PAYMENT

In each transaction of \$25.00 or more, a precious metal dealer shall pay only by check, draft, or money order for precious metal purchased for the purpose of resale.

§ 3889. STOLEN PROPERTY NOTIFICATION SYSTEM

(a) The Department of Public Safety shall develop and implement a statewide stolen property notification system, the purpose of which shall be to facilitate timely electronic communication concerning the reported theft of precious metal among precious metal dealers and law enforcement agencies throughout the State.

(b)(1) Upon receiving an official report of theft of precious metal, the Department shall use the System to contact each precious metal dealer at the e-mail address provided pursuant to subdivision 3882(c)(1) of this title and each law enforcement agency that provides an e-mail address for that purpose.

(2) The Department shall include in its notification any information it determines in its discretion is appropriate to assist precious metal dealers and law enforcement agencies in identifying stolen precious metal and in expediting both the return of the stolen property to its owner and the identification and apprehension of suspects.

(3) Notwithstanding subdivision (2) of this subsection, the Department shall redact any personally identifiable information in a notification issued pursuant to this section concerning the identity or any communications with a purported victim and any precious metal dealer unless the victim or dealer expressly waives confidentiality in a writing submitted to the Department for that purpose.

§ 3890. PENALTIES

(a) Except as otherwise provided in this section, a person who violates a provision of this chapter shall be assessed a civil penalty of not more than \$1,000.00.

(b) A person who operates as precious metal dealer without the certification required by section 3882 of this title shall be:

(1) for a first offense, imprisoned for not more than six months or fined not more than \$10,000.00, or both;

(2) for a second or subsequent offense, imprisoned not more than three years or fined not more than \$50,000.00, or both.

(c) A person who violates a provision of sections 3885–3888 of this title shall be:

(1) for a first offense, imprisoned for not more than six months or fined not more than \$10,000.00, or both;

(2) for a second or subsequent offense, imprisoned not more than three years or fined not more than \$50,000.00, or both.

(d) The Attorney General or a State’s Attorney shall have the authority to pursue an injunction to prohibit the conduct of a person in violation of this chapter.

(e) For purposes of this section, each transaction in which a person violates a provision of this chapter shall constitute a single violation, regardless of the number of violations of this chapter that occur in the transaction.

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

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) A ~~judicial bureau~~ Judicial Bureau is created within the ~~judicial branch~~ Judicial Branch under the supervision of the Supreme Court.

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

* * *

(25) Violations of 9 V.S.A. chapter 97A that are subject to civil penalties pursuant to 9 V.S.A. § 3890(a), relating to the purchase and sale of precious metal by a precious metal dealer, as defined in 9 V.S.A. § 3881.

Sec. 5. IMPLEMENTATION

The Department of Public Safety:

(1) shall create an application and certification process for the certification required under 9 V.S.A. § 3882; and

(2) may adopt rules necessary to implement his or her duties under this act.

Sec. 6. EFFECTIVE DATES

(a) This section, Sec. 5, and 9 V.S.A. § 3889 in Sec. 3 (stolen property notification system) shall take effect on July 1, 2014.

(b) Secs. 1–4, other than 9 V.S.A. § 3889, shall take effect on January 1, 2015.

And that when so amended the bill ought to pass.

Senator Ashe, for the Committee on Finance, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendments thereto:

First: In Sec. 3, 9 V.S.A § 3883, by striking out subdivision (3) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) A fee collected under this section shall be deposited into a precious metal dealers certification special fund which shall be used by the Commissioner of Public Safety to administer the precious metal dealer certification process established in section 3882 of this title.

Second: In Sec. 5, in subdivision (1), following the semicolon by striking out the following: “and” and by inserting prior to the final period the following: ; and and by adding a new subdivision (3) to read as follows:

(3) shall have the authority to re-designate one existing administrative position within the Department of Public Safety as a position charged with the duty to administer the precious metal dealer certification process created in this Act and such other duties as the Commissioner shall assign in his or her discretion, and shall have the additional authority to use a portion of the fees collected from the certification process and deposited into the precious metal dealers certification fund under 9 V.S.A. § 3883 for the purpose of providing compensation and benefits for the position re-designated pursuant to this section

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Finance with the following amendment thereto:

In 9 V.S.A. § 3883(3) after the following: “precious metal dealers certification” by inserting the following: account within the appropriate public safety

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Finance was amended as recommended by the Committee on Appropriations.

Thereupon, the question, Shall the recommendation of amendment of the Committee on Economic Development, Housing and General Affairs be amended as recommended by the Committee on Finance, as amended was decided in the affirmative.

Thereupon, the question, Shall the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs, as amended?, was decided in the affirmative.

Thereupon, pending the question, Shall the bill be read the third time?, Senator Baruth moved to amend the bill in Sec. 3, in 9 V.S.A. § 3881, as follows:

First: In subdivision (1), after “an item,” by inserting the following: other than an item of jewelry, and

Second: In subdivision (3)(C), by striking out “or” at the end of subdivision (iii), by redesignating the current subdivision (iv) as a subdivision (v), and by inserting a new subdivision (iv) to read:

(iv) burglary in violation of 13 V.S.A. § 1201; or

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Rules Suspended; Action Reconsidered; Bill Passed in Concurrence with Proposal of Amendment

H. 735.

Assuring the Chair that she voted with the majority whereby the bill was passed in concurrence by the Senate, Senator Nitka moved that the rules be suspended and that the Senate reconsider its action on House bill entitled:

An act relating to Executive Branch and Judiciary fees.

Which was agreed to.

Thereupon, the question, Shall the bill pass in concurrence with proposal of amendment?, was agreed to on a roll call, Yeas 21, Nays 6.

Senator Nitka having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Campbell, Cummings, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McCormack, Pollina, Rodgers, Sears, Snelling, Starr, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Flory, McAllister, Mullin, Nitka, Westman.

Those Senators absent and not voting were: Collins, Doyle, Sirotkin.

Senator Campbell Assumes the Chair
Proposal of Amendment; Third Reading Ordered

H. 225.

Senator French, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to a statewide policy on the use of and training requirements for electronic control devices.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 20 V.S.A. § 2367 is added to read:

§ 2367. STATEWIDE POLICY; ELECTRONIC CONTROL DEVICES; REPORTING

(a) As used in this section:

(1) “Electronic control device” means a device primarily designed to disrupt an individual’s central nervous system by means of deploying electrical energy sufficient to cause uncontrolled muscle contractions and override an individual’s voluntary motor responses.

(2) “Law enforcement officer” means a sheriff, deputy sheriff, police officer, capitol police officer, State game warden, State Police officer, constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, and a certified law enforcement officer employed by a State branch, agency, or department, including the Department of Motor Vehicles, the Agency of Natural Resources, the Office of the Attorney General, the Department of State’s Attorney, the Secretary of State, and the Department of Liquor Control.

(b) On or before January 1, 2015, the Law Enforcement Advisory Board shall establish a statewide policy on the use of and training requirements for the use of electronic control devices. On or before January 1, 2016, every State, local, county, and municipal law enforcement agency and every law enforcement officer who is not employed by a law enforcement agency shall adopt this policy. If a law enforcement agency or officer that is required to adopt a policy pursuant to this subsection fails to do so on or before January 1, 2016, that agency or officer shall be deemed to have adopted, and shall follow and enforce, the model policy established by the Law Enforcement Advisory Board. The policy shall include the following provisions:

(1) Electronic control devices are less-lethal, but not necessarily non-lethal, alternatives to lethal force.

(2) Officers may deploy an electronic control device only:

(A) against subjects who are exhibiting active aggression or who are actively resisting in a manner that, in the officer's judgment, is likely to result in injuries to others or themselves; or

(B) if, without further action or intervention by the officer, injuries to the subject or others will likely occur.

(3) Neither an officer, a subject, or a third party has actually to suffer an injury before an officer is permitted to use an electronic control device, and officers are not required to use alternatives that increase the danger to the public or themselves.

(4) When it is safe to do so, officers shall attempt to de-escalate situations and shall provide a warning prior to deploying an electronic control device.

(5) Electronic control devices shall not be used in a punitive or coercive manner and shall not be used to awaken, escort, or gain compliance from passively resisting subjects. The act of fleeing or of destroying evidence, in and of itself, does not justify the use of an electronic control device.

(6) The use of electronic control devices shall comply with all recommendations by manufacturers for the reduction of risk of injury to subjects, including situations where a subject's physical susceptibilities are known.

(7) Electronic control devices shall be used in a manner that recognizes the potential additional risks that can result from situations:

(A) involving persons who are in an emotional crisis that may interfere with their ability to understand the consequences of their actions or to follow directions;

(B) involving persons with disabilities whose disability may impact their ability to communicate with an officer, or respond to an officer's directions; and

(C) involving higher risk populations that may be more susceptible to injury as a result of electronic control devices.

(8) Electronic control devices shall not be used on animals unless necessary to deter vicious or aggressive behavior that threatens the safety of officers or others.

(c) The Criminal Justice Training Council shall adopt rules and develop training to ensure that the policies and standards of this section are met. The Criminal Justice Training Council shall ensure that a law enforcement officer receives appropriate and sufficient training before becoming authorized to carry or use an electronic control device.

(d) On or before June 30, 2017, every State, local, county, and municipal law enforcement agency that employs one or more certified law enforcement officers shall ensure that all officers have completed the training established in 2004 Acts and Resolves No. 80, Sec. 13(a), and every law enforcement officer who is not employed by a law enforcement agency shall have completed this training.

(e) The Criminal Justice Training Council shall coordinate training initiatives with the Department of Mental Health related to law enforcement interventions, training for joint law enforcement and mental health crisis team responses, and enhanced capacity for mental health emergency responses.

(f) Every State, local, county, and municipal law enforcement agency and every law enforcement officer who is not employed by a law enforcement agency shall report all incidents involving the use of an electronic control device to the Criminal Justice Training Council in a form to be determined by the Council.

(g) The Law Enforcement Advisory Board shall study and shall, on or before January 15, 2015, report to the House and Senate Committees on Government Operations and on Judiciary concerning:

(1) whether and how the calibration and output of electronic control devices should be measured; and

(2) whether officers authorized to carry electronic control devices should be required to wear body cameras.

Sec. 2. REPORTS

(a) On or before January 15, 2015, the Criminal Justice Training Council shall report to the House and Senate Committees on Government Operations and on Judiciary on the progress made implementing the rules, training, and certification standards required by this act.

(b) On or before January 15, 2015, the Department of Mental Health shall report to the House and Senate Committees on Government Operations and on Judiciary on the adequacy of resources to support the requirements of this act.

(c) On or before March 15, 2016, and annually thereafter, the Criminal Justice Training Council shall report to the House and Senate Committees on Government Operations and on Judiciary all incidents involving the use of an

electronic control device, a review of compliance with standards, the adequacy of training and certification requirements, and the adequacy of funding for mental health collaboration.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Baruth Assumes the Chair

Senator Campbell Assumes the Chair

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, the pending question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Government Operations?, was decided in the affirmative.

Thereupon, pending the question, Shall the bill be read third time?, Senator French moved to amend the Senate proposal of amendment as follows:

First: In Sec. 1, in subsection (b), in the second sentence, after “and every”, by striking out “law enforcement officer” and inserting in lieu thereof: constable.

Second: In Sec. 1, in subsection (d), after “and every”, by striking out “law enforcement officer” and inserting in lieu thereof: constable.

Third: In Sec. 1, in subsection (f), after “and every”, by striking out “law enforcement officer” and inserting in lieu thereof: constable.

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 497.

Senator White, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to the open meeting law.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 1 V.S.A. § 310 is amended to read:

§ 310. DEFINITIONS

As used in this subchapter:

(1) “Deliberations” means weighing, examining, and discussing the reasons for and against an act or decision, but expressly excludes the taking of evidence and the arguments of parties.

(2) “Meeting” means a gathering of a quorum of the members of a public body for the purpose of discussing the business of the public body or for the purpose of taking action. “Meeting” shall not mean written correspondence or an electronic communication, including e-mail, telephone, or teleconferencing, between members of a public body for the purpose of scheduling a meeting, organizing an agenda, or distributing materials to discuss at a meeting, provided that such a written correspondence or such an electronic communication that results in written or recorded information shall be available for inspection and copying under the Public Records Act as set forth in chapter 5, subchapter 3 of this title.

(3) “Public body” means any board, council, or commission of the ~~state~~ State or one or more of its political subdivisions, any board, council, or commission of any agency, authority, or instrumentality of the ~~state~~ State or one or more of its political subdivisions, or any committee of any of the foregoing boards, councils, or commissions, except that “public body” does not include councils or similar groups established by the ~~governor~~ Governor for the sole purpose of advising the ~~governor~~ Governor with respect to policy.

(4) “Publicly announced” means that notice is given to an editor, publisher, or news director of a newspaper or radio station serving the area of the ~~state~~ State in which the public body has jurisdiction, and to any ~~editor, publisher or news director~~ person who has requested under subdivision 312(c)(5) of this title to be notified of special meetings.

(5) “Quasi-judicial proceeding” means a proceeding which is:

(A) a contested case under the Vermont Administrative Procedure Act; or

(B) a case in which the legal rights of one or more persons who are granted party status are adjudicated, which is conducted in such a way that all parties have opportunity to present evidence and to cross-examine witnesses presented by other parties, which results in a written decision, and the result of which is appealable by a party to a higher authority.

Sec. 2. 1 V.S.A. § 312 is amended to read:

§ 312. RIGHT TO ATTEND MEETINGS OF PUBLIC AGENCIES

(a)(1) All meetings of a public body are declared to be open to the public at all times, except as provided in section 313 of this title. No resolution, rule, regulation, appointment, or formal action shall be considered binding except as taken or made at such open meeting, except as provided under ~~section 313(a)(2)~~ subdivision 313(b)(1) of this title. ~~A meeting may be conducted by audio conference or other electronic means, as long as the provisions of this subchapter are met.~~ A meeting of a public body is subject to the public accommodation requirements of 9 V.S.A. chapter 139. A public body shall electronically record by audio tape, all public hearings held to provide a forum for public comment on a proposed rule, pursuant to 3 V.S.A. § 840. The public shall have access to copies of such tapes electronic recordings as described in section 316 of this title.

(2) Participation in meetings through electronic or other means.

(A) As long as the requirements of this subchapter are met, one or more of the members of a public body may attend a regular, special, or emergency meeting by electronic or other means without being physically present at a designated meeting location.

(B) If one or more members attend a meeting by electronic or other means, such members may fully participate in discussing the business of the public body and voting to take an action, but any vote of the public body shall be taken by roll call.

(C) Each member who attends a meeting without being physically present at a designated meeting location shall:

(i) identify himself or herself when the meeting is convened; and

(ii) be able to hear the conduct of the meeting and be heard throughout the meeting.

(D) If a quorum or more of the members of a public body attend a meeting without being physically present at a designated meeting location, the following additional requirements shall be met:

(i) At least 24 hours prior to the meeting, or as soon as practicable prior to an emergency meeting, the public body shall publicly announce the meeting, and a municipal public body shall post notice of the meeting in or near the municipal clerk's office and in at least two other designated public places in the municipality.

(ii) The public announcement and posted notice of the meeting shall designate at least one physical location where a member of the public can attend and participate in the meeting. At least one member of the public body, or at least one staff or designee of the public body, shall be physically present at each designated meeting location.

(b)(1) Minutes shall be taken of all meetings of public bodies. The minutes shall cover all topics and motions that arise at the meeting and give a true indication of the business of the meeting. Minutes shall include at least the following minimal information:

(A) All members of the public body present;

(B) All other active participants in the meeting;

(C) All motions, proposals, and resolutions made, offered, and considered, and what disposition is made of same; and

(D) The results of any votes, with a record of the individual vote of each member if a roll call is taken.

(2) Minutes of all public meetings shall be matters of public record, shall be kept by the clerk or secretary of the public body, and shall be available for inspection by any person and for purchase of copies at cost upon request after five days from the date of any meeting. Meeting minutes shall be posted no later than five days from the date of the meeting to a website, if one exists, that the public body maintains or has designated as the official website of the body.

(c)(1) The time and place of all regular meetings subject to this section shall be clearly designated by statute, charter, regulation, ordinance, bylaw, resolution, or other determining authority of the public body, and this information shall be available to any person upon request. The time and place of all public hearings and meetings scheduled by all Executive Branch State agencies, departments, boards, or commissions shall be available to the public as required under 3 V.S.A. § 2222(c).

(2) The time, place, and purpose of a special meeting subject to this section shall be publicly announced at least 24 hours before the meeting. Municipal public bodies shall post notices of special meetings in or near the municipal clerk's office and in at least two other designated public places in the municipality, at least 24 hours before the meeting. In addition, notice shall be given, either orally or in writing, to each member of the public body at least 24 hours before the meeting, except that a member may waive notice of a special meeting.

(3) Emergency meetings may be held without public announcement, without posting of notices and without 24-hour notice to members, provided some public notice thereof is given as soon as possible before any such meeting. Emergency meetings may be held only when necessary to respond to an unforeseen occurrence or condition requiring immediate attention by the public body.

(4) Any adjourned meeting shall be considered a new meeting, unless the time and place for the adjourned meeting is announced before the meeting adjourns.

(5) ~~An editor, publisher or news director of any newspaper, radio station or television station serving the area of the state in which the public body has jurisdiction~~ A person may request in writing that a public body notify the ~~editor, publisher or news director~~ person of special meetings of the public body. The request shall apply only to the calendar year in which it is made, unless made in December, in which case it shall apply also to the following year.

~~(d)(1) The~~ At least 48 hours prior to a regular meeting, and at least 24 hours prior to a special meeting, a meeting agenda for a regular or special meeting shall be:

(A) posted to a website, if one exists, that the public body maintains or designates as the official website of the body; and

(B) in the case of a municipal public body, posted in or near the municipal office and in at least two other designated public places in the municipality.

(2) A meeting agenda shall be made available to the news media or concerned persons a person prior to the meeting upon specific request.

(3)(A) Any addition to or deletion from the agenda shall be made as the first act of business at the meeting.

(B) Any other adjustment to the agenda may be made at any time during the meeting.

(e) Nothing in this section or in section 313 of this title shall be construed as extending to the ~~judicial branch~~ Judicial Branch of the ~~government~~ Government of Vermont or of any part of the same or to the ~~public service board~~ Public Service Board; nor shall it extend to the deliberations of any public body in connection with a quasi-judicial proceeding; nor shall anything in this section be construed to require the making public of any proceedings, records, or acts which are specifically made confidential by the laws of the United States of America or of this ~~state~~ State.

(f) A written decision issued by a public body in connection with a quasi-judicial proceeding need not be adopted at an open meeting if the decision will be a public record.

(g) The provisions of this subchapter shall not apply to site inspections for the purpose of assessing damage or making tax assessments or abatements, clerical work, or work assignments of staff or other personnel. Routine, day-to-day administrative matters that do not require action by the public body, may be conducted outside a duly warned meeting, provided that no money is appropriated, expended, or encumbered.

(h) At an open meeting the public shall be given a reasonable opportunity to express its opinion on matters considered by the public body during the meeting as long as order is maintained. Public comment shall be subject to reasonable rules established by the chairperson. This subsection shall not apply to quasi-judicial proceedings.

(i) Nothing in this section shall be construed to prohibit the ~~parole board~~ Parole Board from meeting at correctional facilities with attendance at the meeting subject to rules regarding access and security established by the superintendent of the facility.

Sec. 3. 1 V.S.A. § 313 is amended to read:

§ 313. EXECUTIVE SESSIONS

(a) No public body ~~described in section 312 of this title~~ may hold an executive session from which the public is excluded, except by the affirmative vote of two-thirds of its members present in the case of any public body of State government or of a majority of its members present in the case of any public body of a municipality or other political subdivision. A motion to go into executive session shall indicate the nature of the business of the executive session, and no other matter may be considered in the executive session. Such vote shall be taken in the course of an open meeting and the result of the vote recorded in the minutes. No formal or binding action shall be taken in executive session except for actions relating to the securing of real estate options under subdivision (2) of this subsection. Minutes of an executive session need not be taken, but if they are, shall not be made public subject to subsection 312(b) of this title. A public body may not hold an executive session except to consider one or more of the following:

(1) ~~Contracts, labor relations agreements with employees, arbitration, mediation, grievance, civil actions, or prosecutions by the state, where after making a specific finding that premature general public knowledge would clearly place the state, municipality, other public body, or a person involved at a substantial disadvantage;~~

-
- (A) contracts;
- (B) labor relations agreements with employees;
- (C) arbitration or mediation;
- (D) grievances, other than tax grievances;
- (E) pending or probable civil litigation or a prosecution, to which the public body is or may be a party;
- (F) confidential attorney-client communications made for the purpose of providing professional legal services to the body;
- (2) ~~The~~ the negotiating or securing of real estate purchase or lease options;
- (3) ~~The~~ the appointment or employment or evaluation of a public officer or employee other than the appointment of a person to a public body or to any elected office;
- (4) ~~A~~ a disciplinary or dismissal action against a public officer or employee; but nothing in this subsection shall be construed to impair the right of such officer or employee to a public hearing if formal charges are brought;
- (5) ~~A~~ a clear and imminent peril to the public safety;
- (6) ~~Discussion or consideration of records or documents excepted records exempt~~ from the access to public records provisions of section 317 316 of this title. Discussion or consideration of the exempt record or document; provided, however, that discussion of the exempt record shall not itself permit an extension of the executive session to the general subject to which the record or document pertains;
- (7) ~~The~~ the academic records or suspension or discipline of students;
- (8) ~~Testimony~~ testimony from a person in a parole proceeding conducted by the Parole Board if public disclosure of the identity of the person could result in physical or other harm to the person;
- (9) ~~Information~~ information relating to a pharmaceutical rebate or to supplemental rebate agreements, which is protected from disclosure by federal law or the terms and conditions required by the Centers for Medicare and Medicaid Services as a condition of rebate authorization under the Medicaid program, considered pursuant to 33 V.S.A. §§ 1998(f)(2) and 2002(c);
- (10) municipal or school security or emergency response measures, the disclosure of which could jeopardize public safety.

Sec. 4. 1 V.S.A. § 314 is amended to read:

§ 314. PENALTY AND ENFORCEMENT

(a) A person who is a member of a public body and who knowingly and intentionally violates the provisions of this subchapter, a person who knowingly and intentionally violates the provisions of this subchapter on behalf or at the behest of a public body, or a person who knowingly and intentionally participates in the wrongful exclusion of any person or persons from any meeting for which provision is herein made, shall be guilty of a misdemeanor and shall be fined not more than \$500.00.

(b)(1) ~~The attorney general~~ Prior to instituting an action under subsection (c) of this section, the Attorney General or any person aggrieved by a violation of the provisions of this subchapter shall provide the public body written notice that alleges a specific violation of this subchapter and requests a specific cure of such violation. The public body will not be liable for attorney's fees and litigation costs under subsection (d) of this section if it cures in fact a violation of this subchapter in accordance with the requirements of this subsection.

(2) Upon receipt of the written notice of alleged violation, the public body shall respond publicly to the alleged violation within seven business days by:

(A) acknowledging the violation of this subchapter and stating an intent to cure the violation within 14 calendar days; or

(B) stating that the public body has determined that no violation has occurred and that no cure is necessary.

(3) Failure of a public body to respond to a written notice of alleged violation within seven business days shall be treated as a denial of the violation for purposes of enforcement of the requirements of this subchapter.

(4) Within 14 calendar days after a public body acknowledges a violation under subdivision (2)(A) of this subsection, the public body shall cure the violation at an open meeting by:

(A) either ratifying, or declaring as void, any action taken at or resulting from a meeting in violation of this subchapter; and

(B) adopting specific measures that actually prevent future violations.

(c) Following an acknowledgment or denial of a violation and, if applicable, following expiration of the 14-calendar-day cure period for public bodies acknowledging a violation, the Attorney General or any person aggrieved by a violation of the provisions of this subchapter may ~~apply to the superior court~~ bring an action in the Civil Division of the Superior Court in the

county in which the violation has taken place for appropriate injunctive relief or for a declaratory judgment. An action may be brought under this section no later than one year after the meeting at which the alleged violation occurred or to which the alleged violation relates. Except as to cases the ~~court~~ Court considers of greater importance, proceedings before the ~~superior court~~ Civil Division of the Superior Court, as authorized by this section and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

(d) The Court shall assess against a public body found to have violated the requirements of this subchapter reasonable attorney's fees and other litigation costs reasonably incurred in any case under this subchapter in which the complainant has substantially prevailed, unless the Court finds that:

(1)(A) the public body had a reasonable basis in fact and law for its position; and

(B) the public body acted in good faith. In determining whether a public body acted in good faith, the Court shall consider, among other factors, whether the public body responded to a notice of an alleged violation of this subchapter in a timely manner under subsection (b) of this section; or

(2) the public body cured the violation in accordance with subsection (b) of this section.

Sec. 5. 24 V.S.A. § 1964 is amended to read:

§ 1964. STRUCTURE OF THE COMMUNITY JUSTICE BOARDS; CONFIDENTIALITY OF CERTAIN RESTORATIVE JUSTICE MEETINGS

(a) Each community justice center:

(1) ~~Shall~~ shall have an advisory board comprised of at least 51 percent citizen volunteers;

(2) ~~May~~ may use a variety of community-based restorative justice approaches, including community restorative justice panels or boards, group conferencing, or mediation; and

(3) ~~Shall~~ shall include programs to resolve disputes, address the needs of victims, address the wrongdoing of the offender, and promote the rehabilitation of youthful and adult offenders.

(b) Meetings of restorative justice panels and meetings to conduct restorative justice group conferencing or mediation shall not be subject to the Vermont Open Meeting Law, 1 V.S.A. chapter 5, subchapter 2.

Sec. 6. EFFECTIVE DATES

This act shall take effect on July 1, 2014. However, a person who violates 1 V.S.A. § 312(b)(2) as amended by this act (requirement to post minutes to website, if any) shall not be subject to prosecution for such violation pursuant to 1 V.S.A. § 314(a) in connection with any meeting that occurs before July 1, 2015.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Rules Suspended; Bills Messaged

On motion of Senator Campbell, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 270, H. 612, H. 735, H. 882.

Rules Suspended; Bills on Notice Calendar for Immediate Consideration

On motion of Senator Campbell, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

S. 234, S. 241.

House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 234.

House proposal of amendment to Senate bill entitled:

An act relating to Medicaid coverage for home telemonitoring services.

Was taken up.

The House proposes to the Senate to amend the bill by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 33 V.S.A. § 1901g is added to read:

§ 1901g. MEDICAID COVERAGE FOR HOME TELEMONITORING SERVICES

(a) The Agency of Human Services shall provide Medicaid coverage for home telemonitoring services performed by home health agencies or other qualified providers as defined by the Agency of Human Services for Medicaid

beneficiaries who have serious or chronic medical conditions that can result in frequent or recurrent hospitalizations and emergency room admissions. Beginning on July 1, 2014, the Agency shall provide coverage for home telemonitoring for one condition or risk factor for which it determines coverage to be cost-neutral. The Agency may expand coverage to include additional conditions or risk factors identified using evidence-based best practices if the expanded coverage will remain cost-neutral or as funds become available.

(b) A home health agency or other qualified provider shall ensure that clinical information gathered by the home health agency or other qualified provider while providing home telemonitoring services is shared with the patient's treating health care professionals. The Agency of Human Services may impose other reasonable requirements on the use of home telemonitoring services.

(c) As used in this section:

(1) "Home health agency" means an entity that has received a certificate of need from the State to provide home health services and is certified to provide services pursuant to 42 U.S.C. § 1395x(o).

(2) "Home telemonitoring service" means a health service that requires scheduled remote monitoring of data related to a patient's health, in conjunction with a home health plan of care, and access to the data by a home health agency or other qualified provider as defined by the Agency of Human Services.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Ayer, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

**House Proposal of Amendment Not Concurred In; Committee of
Conference Requested**

S. 241.

House proposal of amendment to Senate bill entitled:

An act relating to binding arbitration for State employees.

Was taken up.

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

First: In Sec. 1, by striking out subsection (b) in its entirety and inserting a new subsection (b) to read as amended:

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

- (1) the Commissioner of Human Resources or designee;
- (2) the Executive Director of the Vermont Bar Association or designee;
- (3) one member appointed by the Vermont Troopers Association;
- (4) one member appointed by the Vermont State Employees' Association; and
- (5) the Attorney General or designee.

Second: In Sec. 1, by striking out subsection (c) in its entirety and inserting a new subsection (c) to read as follows:

(c) Powers and duties. The Committee shall:

- (1) study the issue of grievance arbitration for State employees;
- (2) assess the relative merits of various grievance protocols, including arbitration and use of the Vermont Labor Relations Board, addressing the ability of these protocols to provide resolution of grievances in a manner that is economical, timely, just, and provides for appropriate privacy protections for the parties; and
- (3) study the impact on the State if the State does not request criminal history record information on its initial employee application form. As used in this subdivision, "criminal history record" shall have the same meaning as in 20 V.S.A. § 2056a.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Mullin, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock and thirty minutes in the morning.

Afternoon

The Senate was called to order by the President.

Message from the House No. 63

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered bills originating in the Senate of the following titles:

S. 281. An act relating to vision riders and a choice of providers for vision and eye care services.

S. 287. An act relating to involuntary treatment and medication.

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 27. Joint resolution relating to an application of the General Assembly for Congress to call a convention for proposing amendments to the U.S. Constitution.

And has adopted the same in concurrence.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 86. An act relating to miscellaneous changes to election laws.

And has adopted the same on its part.

The House has considered Senate proposal of amendment to House proposal of Amendment to Senate bill of the following title:

S. 299. An act relating to sampler flights.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Proposals of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged

H. 884.

House bill entitled:

An act relating to miscellaneous tax changes.

Was taken up.

Thereupon, pending third reading of the bill, Senators Rodgers and Starr moved to amend the Senate proposal of amendment by inserting a reader assistance heading and Sec. 30a to read as follows:

* * * Wood Products Manufacturer's Credit * * *

Sec. 30a. WOOD PRODUCT MANUFACTURE STUDY

The Secretary of Commerce and Community Development, in consultation with the Department of Taxes, shall study and recommend economic and tax incentives to ensure wood products manufacturers remain in Vermont, and that they thrive in Vermont. The Secretary shall report his or her findings and recommendations to the Senate Committee on Finance and the House Committee on Ways and Means on or before January 15, 2015.

Which was agreed to on a roll call, Yeas 14, Nays 13.

Senator Ayer having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Benning, Cummings, Doyle, Flory, French, Kitchel, McAllister, Nitka, Pollina, Rodgers, Snelling, Starr, Westman, Zuckerman.

Those Senators who voted in the negative were: Ashe, Ayer, Campbell, Galbraith, Hartwell, Lyons, MacDonald, Mazza, McCormack, Mullin, Sears, Sirotkin, White.

Those Senators absent and not voting were: Baruth, Bray, Collins.

Thereupon, Senators Rodgers and Starr moved that the Senate proposal of amendment be amended as follows:

First: By inserting a reader assistance heading and Sec. 30b to read as follows:

* * * Wood Products Manufacturer's Credit * * *

Sec. 30b. 32 V.S.A. § 5930y is added to read:

§ 5930y. WOOD PRODUCTS MANUFACTURE TAX CREDIT

(a) Definitions. The Secretary of Commerce and Community Development, annually on or before February 1, shall designate any two adjacent counties having at least four percent of their combined jobs provided by employers that manufacture finished wood products and having the highest combined unemployment rate in the State for at least one month in the previous calendar year. Upon making a designation, the Secretary shall send a

written notice to the Commissioner of Taxes identifying the designated counties.

(b) Credit. A credit against the income tax liability is available as follows:

(1) A credit of two percent of the wages paid in the taxable year by an employer for services performed in the designated counties associated with the manufacture of finished wood products. The credit shall be available to the employer in any year the counties qualify and for one year after a qualification ends. As used in this section, "finished wood products" means wood products that are manufactured into the form in which they are offered for sale to consumers.

(2) The credit, either alone or in combination with any other credit allowed by this chapter, shall not reduce the income tax liability of the employer by more than 80 percent.

(3) The recapture of development incentives established in 3 V.S.A. chapter 47, subchapter 6 shall apply to the tax credits in this section, except that the provisions of subsection 2512(c) of that title shall not apply to a business relocation outside the designated counties.

(c) Statutory purpose. The statutory purpose of the Vermont wood products manufacture credit in this section is to support Vermont's wood products manufacturers and wood industry in high unemployment areas of the State.

Second: In Sec. 65 (effective dates), by adding a subdivision (19) to read as follows:

(19) Notwithstanding 1 V.S.A. § 214, Sec. 30a (wood products) of this act shall take effect retroactively on January 1, 2014.

Which was disagreed to.

Thereupon, Senators Hartwell and Sears moved that the Senate proposal of amendment be amended by inserting a new section to be numbered Sec. 48a to read as follows:

* * * Local Option Tax * * *

Sec. 48a. 24 V.S.A. § 138(a) is amended to read:

(a) Local option taxes are authorized under this section for the purpose of affording municipalities ~~an alternative a~~ a method of raising municipal revenues to facilitate the transition and reduce the dislocations in those municipalities that may be caused by reforms to the method of financing public education under the Equal Educational Opportunity Act of 1997. Accordingly:

~~(1) the local option taxes authorized under this section may be imposed by a municipality;~~

~~(2) a municipality opting to impose a local option tax may do so prior to July 1, 1998 to be effective beginning January 1, 1999, and anytime after December 1, 1998 a local option tax shall be effective beginning on the next tax quarter following 90 days' notice to the department of taxes of the imposition; and~~

~~(3) a local option tax may only be adopted by a municipality in which:~~

~~(A) the education property tax rate in 1997 was less than \$1.10 per \$100.00 of equalized education property value; or~~

~~(B) the equalized grand list value of personal property, business machinery, inventory, and equipment is at least ten percent of the equalized education grand list as reported in the 1998 Annual Report of the Division of Property Valuation and Review; or~~

~~(C) the combined education tax rate of the municipality will increase by 20 percent or more in fiscal year 1999 or in fiscal year 2000 over the rate of the combined education property tax in the previous fiscal year. A local option tax shall be effective beginning on the next tax quarter following 90 days' notice to the Department of Taxes of the imposition.~~

Which was agreed to.

Thereupon, Senator Ashe moved that the Senate proposal of amendment be amended as follows:

First: In Sec. 30, by striking out “entirely”

Second: In Sec. 50, in subsection (b), by striking out “2014” and inserting in lieu thereof 2015

Third: In Sec. 58, by striking out “Designated Downtown as determined in accordance with 24 V.S.A. § 2793” and inserting in lieu thereof tax increment financing district

Which was agreed to.

Thereupon, Senator Zuckerman moved that the Senate proposal of amendment be amended as follows:

First: By inserting a reader assistance heading and Sec. 53a to read as follows:

* * * Decrease in Equalized Pupils; Hold-Harmless Provision * * *

Sec. 53a. 16 V.S.A. § 4010(f) is amended to read:

(f) ~~For purposes of the calculation under this section, a district's equalized pupils shall in no case be less than 96 and one-half percent of the district's equalized pupils in the previous year. [Repealed.]~~

Second: In Sec. 64, by inserting (a) before “32 V.S.A. § 3802(18)” and by inserting a subsection (b) to read as follows:

(b) 16 V.S.A. § 4015 is repealed on July 1, 2015, and no grants shall be available under the section for fiscal year 2016 or after.

Third: In Sec. 65, in subdivision (15), after the words “(increased average daily membership)” by inserting the words and Sec. 53a (equalized pupils).

Thereupon, pending the question Shall the Senate proposal of amendment be amended as moved by Senator Zuckerman, Senator Zuckerman requested and was granted leave to withdraw the proposal of amendment.

Thereupon, Senators Ashe, Bray, Hartwell, Lyons, MacDonald, and Mullin moved that the Senate proposal of amendment be amended by inserting a reader assistance heading and Sec. 63a to read:

* * * Supplemental Property Tax Relief * * *

Sec. 63a. SUPPLEMENTAL PROPERTY TAX RELIEF

Funds from the Supplemental Property Tax Relief Fund created by 32 V.S.A. § 6075 not specifically used for the Retired Teacher's Health Care Fund in fiscal year 2015 shall be reserved to provide incentives to school districts and supervisory unions implementing long-term, systemic changes that result in cost savings without diminishing educational quality or opportunity.

Which was agreed to.

Thereupon, Senator Galbraith moved that the Senate proposal of amendment be amended as follows:

First: By adding six new sections to be Secs. 25a–25f to read as follows:

* * * Vermont Health Insurance Corporation * * *

Sec. 25a. 8 V.S.A. chapter 118 is added to read:

CHAPTER 118. VERMONT HEALTH INSURANCE CORPORATION

§ 4401. VERMONT HEALTH INSURANCE CORPORATION

Vermont Health is established as a private, nonprofit corporation owned by the people of Vermont for the purpose of providing qualified health benefit plans to Vermont residents through the Vermont Health Benefit Exchange.

§ 4402. PURPOSE

Vermont Health shall provide Vermont residents with high quality health care at prices that are affordable. Vermont Health will offer Vermont residents qualified health benefit plans that provide necessary medical services including treatment by physicians, surgery and surgical procedures, hospital care, and prescribed medicines. All qualified Vermont residents shall have the right to participate in a qualified health benefit plan offered by Vermont Health, and no person shall be denied the right to participate because of illness, preexisting condition, or age. Vermont Health shall guarantee issuance of a qualified health plan to all qualified Vermont residents and their dependents.

§ 4403. DEFINITIONS

As used in this chapter:

(1) “Affordable Care Act” means the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), and as further amended.

(2) “Commissioner” means the Commissioner of Financial Regulation.

(3) “Health benefit plan” means a policy, contract, certificate, or agreement offered or issued by a health insurer to provide, deliver, arrange for, pay for, or reimburse any of the costs of health services. This term does not include coverage only for accident or disability income insurance, liability insurance, coverage issued as a supplement to liability insurance, workers’ compensation or similar insurance, automobile medical payment insurance, credit-only insurance, coverage for on-site medical clinics, or other similar insurance coverage where benefits for health services are secondary or incidental to other insurance benefits as provided under the Affordable Care Act. The term also does not include stand-alone dental or vision benefits; long-term care insurance; specific disease or other limited benefit coverage; Medicare supplemental health benefits; Medicare Advantage plans; or other similar benefits excluded under the Affordable Care Act.

(4) “Health care professional” means an individual, partnership, corporation, facility, or institution licensed or certified or otherwise authorized by law to provide professional health services.

(5) “Health service” means any medically necessary treatment or procedure to maintain an individual’s physical or mental health or to diagnose or treat an individual’s physical or mental health condition, including services ordered by a health care professional and medically necessary services to assist in activities of daily living.

(6) “Qualified health benefit plan” means a health benefit plan that meets the requirements set forth in Section 1301 of the Affordable Care Act.

(7) “Qualified Vermont resident” means an individual, including a minor, who is a Vermont resident and at the time of enrollment:

(A) is not incarcerated or is only incarcerated awaiting disposition of charges; and

(B) is or is reasonably expected to be during the time of enrollment a citizen or national of the United States or an immigrant lawfully present in the United States as defined by federal law.

(8) “Vermont Health Benefit Exchange” means the program established in 33 V.S.A. chapter 18, subchapter 1.

(9) “Vermont Health Insurance Corporation” or “Vermont Health” means a private, nonprofit health insurance corporation owned by the people of Vermont and providing qualified health benefit plans to Vermont residents.

(10) “Vermont resident” means an individual domiciled in Vermont as evidenced by an intent to maintain a principal dwelling place in Vermont indefinitely and to return to Vermont if temporarily absent, coupled with an act or acts consistent with that intent.

§ 4404. OWNERSHIP AND GOVERNANCE OF VERMONT HEALTH

(a) Vermont Health shall issue shares, all of which shall be owned by the people of Vermont and held in trust for them by the General Assembly.

(b) The Governor shall appoint, with the consent of the Senate, a five-member Board of Vermont Health, one of whom shall be designated by the Governor as the Chair. The Board shall prepare the bylaws, regulations, and policies of Vermont Health. The General Assembly, acting on behalf of the shareholders, shall approve by joint resolution the bylaws, regulations, and major policies of Vermont Health.

(c) The Board shall appoint all officers of Vermont Health who shall be State employees and exempt from the State classified system. The Board shall determine compensation for the officers and employees of Vermont Health, provided that no officer or employee shall receive more in compensation than the highest paid State employee.

§ 4405. CERTIFICATE OF AUTHORITY

Notwithstanding the provisions of chapters 101 and 107 of this title, upon petition of the Secretary of Administration, the Commissioner shall issue to Vermont Health a certificate of authority to operate as a health insurance corporation for purposes of providing qualified health benefit plans to Vermont residents.

§ 4406. APPROVAL OF PREMIUMS AND FORMS

Notwithstanding the provisions of section 4062 of this title, the Commissioner and the Green Mountain Care Board shall approve all forms and premium rates for Vermont Health that they determine to be in the best interests of the people of the State of Vermont.

§ 4407. VERMONT HEALTH QUALIFIED BENEFIT PLANS

(a) Vermont Health shall offer only silver- and gold-level qualified health benefit plans that meet the requirements of the Affordable Care Act and applicable State law. In the event that the Affordable Care Act is repealed or held invalid, Vermont Health shall continue to offer health benefit plans that provide essential benefits packages that meet or exceed the elements described in Section 1302(a) of the Affordable Care Act and that provide for all necessary medical care, including treatment by qualified health care professionals, hospital care, and prescription drugs. Plans offered by Vermont Health shall pay for all necessary medical expenses without annual or lifetime limits.

(b) No plan offered by Vermont Health shall require a policyholder to pay a total of more than \$5,000.00 during any calendar year in co-payments, deductibles, and other out-of-pocket expenses and no policyholder shall be required to pay a total of more than \$10,000.00 in co-payments, deductibles, and other out-of-pocket expenses toward the treatment of any single illness.

§ 4408. PREMIUM AND COST-SHARING SUBSIDIES

(a) In addition to any State or federal cost-sharing subsidies for which policyholders may be eligible through the Vermont Health Benefit Exchange, Vermont Health shall provide cost-sharing subsidies to all policyholders enrolled in a silver-level Vermont Health plan in order to ensure that the average actuarial value of the benefits received by all policyholders in Vermont Health silver-level plans is at least 87 percent. Policyholders with incomes at or below 150 percent of the federal poverty level shall continue to receive cost-sharing assistance at a 94 percent actuarial value pursuant to 33 V.S.A. § 1812(b)(2).

(b) In addition to any State or federal advance premium tax credits for which policyholders may be eligible through the Vermont Health Benefit Exchange, Vermont Health shall subsidize the premiums of all policyholders enrolled in a silver-level Vermont Health plan equally in an amount to be determined annually by the Agency of Human Services. The Agency shall determine the amount of the premium subsidy based on the projected number of policyholders in Vermont Health for the plan year and the amount remaining in the Vermont Health Insurance Corporation Fund established in

section 4411 of this title after satisfaction of the cost-sharing subsidies established in subsection (a) of this section. The premium subsidy for a two-person plan shall be twice the amount of the subsidy provided for an individual plan, and the premium subsidy for a family plan shall be three times the amount of the subsidy provided for an individual plan. Premium subsidies shall be available regardless of a policyholder's income or whether he or she is eligible for employer-sponsored insurance.

§ 4409. CHOICE OF PROVIDER

To the extent Vermont Health provides coverage for any particular type of health service or for any particular medical condition, it shall cover those health services and conditions when provided by any type of health care professional acting within the scope of practice authorized by law. Vermont Health may establish a term or condition that places a greater financial burden on an individual for access to treatment by the type of health care professional only if it is related to the efficacy or cost-effectiveness of the type of service.

§ 4410. REQUIRED CONTRACT PROVISIONS

Qualified health benefit plan contracts entered into by Vermont Health shall be in writing, one copy of which shall be furnished to the insured. The contract shall contain at least the following provisions:

(1) a statement of the amount payable to Vermont Health by the subscriber and the manner in which such amount is payable;

(2) a statement of the nature of the services to be furnished and the period during which they will be furnished and, if there are any services to be excepted, a detailed statement of such exceptions;

(3) a statement of the terms and conditions upon which the contract may be canceled or otherwise terminated at the option of either party;

(4) a statement that the contract includes the endorsements thereon and attached papers, if any, and contains the entire contract for services;

(5) a statement that no representation by the insured in his or her application shall void the contract or be used in any legal proceeding thereunder unless such application or an exact copy thereof is included in or attached to such contract and that no agent or representative of such corporation other than an officer or officers designated therein is authorized to change the contract or waive any of its provisions;

(6) a statement that if the insured defaults in making any payment under the contract, the subsequent acceptance of a payment by the corporation or by any of its duly authorized agents shall reinstate the contract;

(7) a statement of the period of grace which will be allowed the insured for making any payment due under the contract, to be not less than ten days;

(8) a statement that the insured shall be entitled to engage the services of a health care professional whom he or she chooses to perform services covered by the contract, provided that such health care professional is licensed or certified or otherwise authorized by law to provide professional health services in this state and agrees to be governed by the bylaws of the corporation with respect to payment of fees for his or her services.

§ 4411. VERMONT HEALTH INSURANCE CORPORATION FUND

(a) The Vermont Health Insurance Corporation Fund is established in the State Treasury as a special fund to be the single source to finance health care coverage for the Vermont Health Insurance Corporation.

(b) Into the Fund shall be deposited:

(1) transfers or appropriations from the General Fund, authorized by the General Assembly;

(2) 100 percent of the payroll taxes levied pursuant to 32 V.S.A. chapter 152;

(3) 9 percent of the income taxes levied pursuant to 32 V.S.A. chapter 151; and

(3) the proceeds from grants, donations, contributions, taxes, and any other sources of revenue as may be provided by statute or by rule.

(c) The Fund shall be administered pursuant to 32 V.S.A. chapter 7, subchapter 5, except that interest earned on the Fund and any remaining balance shall be retained in the Fund. The Department shall maintain records indicating the amount of money in the Fund at any time.

(d) All monies received by or generated to the Fund shall be used only for the payment of premium and cost-sharing subsidies pursuant to section 4408 of this title.

Sec. 25b. 32 V.S.A. chapter 152 is added to read:

CHAPTER 152. HEALTH CARE TAXES

§ 5981. DEFINITIONS

As used in this chapter:

(1) "Employee" means every person for whom taxes are withheld under section 5841 of this title, except that the term shall not include federal employees.

(2)(A) “Employer” means every person who is required under the laws of the United States to withhold federal income tax from payments that are also subject to Vermont income tax.

(B) “Employer” does not mean the U.S. government.

(3) “Federal employee” means any person employed by the U.S. government, retired from employment with the U.S. government, or an active or retired member of the U.S. Armed Forces.

(4) “Self-employment income” shall have the same meaning as in the Internal Revenue Code, 26 U.S.C. § 1402(b).

(5) “Total employer wages” means the total amount of payments subject to withholding under section 5841 of this title for each employer subject to withholding requirements, minus any wages in excess of \$113,700.00 or the contribution base calculated under Section 230 of the Social Security Act, codified at 42 U.S.C. § 430, paid by the employer to any employee.

(6) “Wages” shall have the same meaning as in the Internal Revenue Code, 26 U.S.C. § 3401(a).

§ 5982. PAYROLL TAX

A tax is imposed on any employer required to withhold taxes under section 5841 of this title and on the self-employment income of every individual in an amount equal to total employer wages multiplied by 2.2 percent.

§ 5983. PAYMENT

Each employer shall prepare and submit to the Department a quarterly return and payment on or before the 25th day of the calendar month succeeding the quarter ending on the last day of March, June, September, and December. The return requirements and procedures shall be established by the Commissioner and shall show the amount of total employer wages paid for employment during the preceding quarter and other information the Commissioner may require. The tax under this chapter shall be paid each quarter to the Department at the same time the report is submitted. The taxes shall be deposited in the Vermont Health Insurance Corporation Fund established pursuant to 8 V.S.A. § 4411.

§ 5984. ENFORCEMENT

The employer payroll tax imposed under subsection 5982 of this title shall be enforced and collected as if it were an amount required to be withheld and remitted to the State under subchapter 4 of chapter 151 of this title.

Sec. 25c. 32 V.S.A. § 8556 is amended to read:

§ 8556. ~~EXEMPTION~~ EXEMPTIONS

(a) For the purposes of this subchapter, a continuing care retirement community certified under chapter 151 of Title 8 shall not be deemed to be an insurance company or other entity subject to the tax imposed by this subchapter.

(b) The Vermont Health Insurance Corporation established in chapter 118 of Title 8 shall be exempt from the tax imposed by this subchapter.

Sec. 25d. COST-EFFECTIVENESS EVALUATION

The Secretary of Administration or designee shall evaluate the cost-effectiveness of permitting a nonprofit insurance carrier licensed to do business in this State to provide some or all of the benefits and administration of the qualified health benefit plans offered by the Vermont Health Insurance Corporation in conjunction with or in lieu of involvement by State government. No later than February 15, 2015, the Secretary or designee shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on the advisability and cost-effectiveness of involving an insurance carrier in Vermont Health and shall propose the statutory modifications necessary to accomplish any such involvement.

Sec. 25e. 32 V.S.A. § 5811(21) is amended to read:

(21) “Taxable income” means federal taxable income determined without regard to ~~Section 168(k) of the Internal Revenue Code~~ 26 U.S.C. § 168(k) and:

(A) Increased by the following items of income (to the extent such income is excluded from federal adjusted gross income):

(i) interest income from non-Vermont state and local obligations;

(ii) dividends or other distributions from any fund to the extent they are attributable to non-Vermont state or local obligations; and

(iii) ~~the amount in excess of \$5,000.00 of state and local income taxes deducted from federal adjusted gross income for the taxable year, but in no case in an amount that will reduce total itemized deductions below the standard deduction allowable to the taxpayer; and~~ the amount of total itemized deductions in excess of the standard deduction allowable to the taxpayer;

* * *

Sec. 25f. 32 V.S.A. § 435(b)(5) is amended to read:

(5) ~~Individual~~ 91 percent of the income taxes levied pursuant to chapter 151 of this title;

Second: In Sec. 65, effective dates, by inserting new subdivisions (19), (20), and (21) to read as follows:

(19) Secs. 25a (Vermont Health) and 25c (tax exemption) shall take effect on January 1, 2017.

(20) Sec. 25b (payroll tax) shall take effect on October 1, 2016.

(21) Secs. 25e (itemized deductions) and 25f (General Fund) shall take effect on January 1, 2016 and apply for tax year 2016 and after.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as proposed by Senator Galbraith?, Senator Galbraith requested and was granted leave to withdraw his proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Campbell, the rules were suspended, and the bill was ordered messaged to the House forthwith.

Message from the House No. 64

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill entitled:

H. 735. An act relating to Executive Branch and Judiciary fees.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Branagan of Georgia
Rep. Clarkson of Woodstock
Rep. Masland of Thetford

Message from the House No. 65

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill entitled:

H. 884. An act relating to miscellaneous tax changes.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Ancel of Calais
Rep. Branagan of Georgia
Rep. Sharpe of Bristol

Proposal of Amendment; Third Reading Ordered**H. 552.**

Senator Mullin, for the Committee on Economic Development, Housing and General Affairs, to which was referred House bill entitled:

An act relating to raising the Vermont minimum wage.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$9.15. Beginning January 1, 2016, an employer shall not employ any~~ employee at a rate of less than \$9.60. Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and, beginning January 1, 2007, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the

previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than \$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate one-half the minimum wage. For the purposes of As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the ~~United States~~ U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the ~~United States~~ U.S. government.

* * *

Sec. 2. 10 V.S.A. § 531 is amended to read:

§ 531. EMPLOYMENT TRAINING PROGRAM

* * *

(c) The employer promises as a condition of the grant to:

(1) employ new persons at a wage which, at the completion of the training program, ~~is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one-half times the federal or state minimum wage, whichever is greater~~ equals or exceeds the livable wage as defined in 2 V.S.A. § 505;

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Cummings, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs with the following amendment thereto:

In Sec. 3, by striking out the section in its entirety and inserting in lieu thereof a new Sec. 3 to read:

Sec. 3. EFFECTIVE DATES

(a) This Sec. and Sec. 2 shall take effect on July 1, 2014.

(b) Sec. 1 shall take effect on January 1, 2015.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Economic Development, Housing and General Affairs was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to on a roll call, Yeas 20, Nays 8.

Senator Galbraith having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ayer, Benning, Bray, Campbell, Cummings, Doyle, Flory, French, Hartwell, Kitchel, Lyons, Mazza, McAllister, Mullin, Nitka, Rodgers, Sears, Snelling, Starr, Westman.

Those Senators who voted in the negative were: Ashe, Galbraith, MacDonald, McCormack, Pollina, Sirotkin, White, Zuckerman.

Those Senators absent and not voting were: Baruth, Collins.

Thereupon, Senator Pollina moved that the Senate proposal of amendment be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$10.00.~~ Beginning on January 1, 2016, an employer shall not employ

~~any employee at a rate of less than \$10.50, and, beginning on January 1, 2007, 2017 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than \$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate one-half the minimum wage. For the purposes of~~ As used in this subsection, “a service or tipped employee” means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the ~~United States~~ U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the ~~United States~~ U.S. government.

* * *

Sec. 2. MINIMUM WAGE STUDY

On or before January 15, 2016, the Joint Fiscal Office shall submit a report to the General Assembly detailing the impact that raising the minimum wage to the livable wage would have on:

- (1) low-wage working Vermonters;
- (2) Vermont businesses and jobs;
- (3) State and federal benefits; and
- (4) Vermont’s economy as a whole.

Sec. 3. MINIMUM WAGE BENEFIT REPORT

On or before December 15, 2014, the Agency of Human Services, the Agency of Commerce and Community Development, and the Department of Labor shall submit a report to the House Committees on Commerce and Economic Development, on Human Services, and on General, Housing and Military Affairs, and the Senate Committees on Economic Development, Housing and General Affairs, and on Health and Welfare detailing:

- (1) the impact that a minimum wage rate of \$10.00 will have on low-wage workers, especially a low-wage worker who is a single parent with one child;

(2) how to adjust government subsidy programs to provide a slope for low-wage workers who are single parents to reflect the government subsidies received by low-wage workers who are single with no children; and

(3) the effect that an hourly wage rate of \$10.00 will have on any programs linked to the minimum wage.

Sec. 4. EFFECTIVE DATES

(a) This section and Secs. 2 and 3 shall take effect on passage.

(b) Sec. 1 shall take effect on January 1, 2015.

Which was disagreed to.

Thereupon, Senator Sirotkin moved that the Senate proposal of amendment be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$9.25. Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.80. Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.30. Beginning January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.90, and, beginning January 1, 2007, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than \$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate~~ one-half the minimum wage. For the purposes of As used in this subsection, “a service or tipped employee” means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the United States U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the United States U.S. government.

Sec. 2. 10 V.S.A. § 531 is amended to read:

§ 531. EMPLOYMENT TRAINING PROGRAM

* * *

(c) The employer promises as a condition of the grant to:

(1) employ new persons at a wage which, at the completion of the training program, ~~is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one-half times the federal or state minimum wage, whichever is greater~~ equals or exceeds the livable wage as defined in 2 V.S.A. § 505;

* * *

Sec. 3. MINIMUM WAGE BENEFIT REPORT

On or before December 15, 2014, the Joint Fiscal Office, with the assistance and participation of the Agency of Human Services, the Agency of Commerce and Community Development, and the Department of Labor, shall submit a report to the House Committees on Commerce and Economic Development, on Human Services, and on General, Housing and Military Affairs, and the Senate Committees on Economic Development, Housing and General Affairs, and on Health and Welfare detailing:

(1) the impact that this act's increases in the minimum wage will have on the incomes of minimum wage workers, as well as any loss of eligibility or benefits from public assistance programs, including earned income tax credits, housing assistance and renter rebates, telephone lifeline, fuel assistance, 3Squares, and Reach up;

(2) the savings that will result to public assistance programs from this act's increases in the minimum wage; and

(3) options on how to adjust public assistance programs to provide for a slope or other adjustments for minimum wage workers who otherwise would lose eligibility or benefits due to this act's increases in the minimum wage so as to mitigate against such losses.

Sec. 4. EFFECTIVE DATE

This act shall take effect on January 1, 2015.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senator Sirotkin?, Senator Sirotkin requested and was granted leave to withdraw his proposal of amendment.

Thereupon, Senator Sirotkin moved that the Senate proposal of amendment be amended by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$9.25. Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.80. Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.30. Beginning January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.90, and, beginning January 1, 2007, 2019~~ Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.80. Beginning January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.30. Beginning January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.90, and, beginning January 1, 2007, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than \$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate one-half the minimum wage. For the purposes of As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the ~~United States~~ U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the ~~United States~~ U.S. government.

Which was disagreed to on a roll call, Yeas 8, Nays 18.

Senator Sirotkin having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Cummings, French, Galbraith, MacDonald, Pollina, Sirotkin, White, Zuckerman.

Those Senators who voted in the negative were: Ayer, Bray, Campbell, Doyle, Flory, Hartwell, Kitchel, Lyons, Mazza, McAllister, McCormack, Mullin, Nitka, Rodgers, Sears, Snelling, Starr, Westman.

Those Senators absent and not voting were: Ashe, Baruth, Benning, Collins.

Thereupon, Senator Sirotkin moved that the Senate proposal of amendment be amended by striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. MINIMUM WAGE BENEFIT REPORT

On or before December 15, 2014, the Joint Fiscal Office, with the assistance and participation of the Agency of Human Services, the Agency of Commerce and Community Development, and the Department of Labor, shall submit a report to the House Committees on Commerce and Economic Development, on Human Services, and on General, Housing and Military Affairs, and the Senate Committees on Economic Development, Housing and General Affairs, and on Health and Welfare detailing:

(1) the impact that this act's increases in the minimum wage will have on the incomes of minimum wage workers, as well as any loss of eligibility or benefits from public assistance programs, including earned income tax credits, housing assistance and renter rebates, telephone lifeline, fuel assistance, 3Squares, and Reach up;

(2) the savings that will result to public assistance programs from this act's increases in the minimum wage; and

(3) options on how to adjust public assistance programs to provide for a slope or other adjustments for minimum wage workers who otherwise would lose eligibility or benefits due to this act's increases in the minimum wage so as to mitigate against such losses.

Which was disagreed to on a roll call, Yeas 7, Nays 19.

Senator Sirotkin having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Galbraith, Hartwell, McCormack, Pollina, Sirotkin, White, Zuckerman.

Those Senators who voted in the negative were: Ayer, Bray, Campbell, Cummings, Doyle, Flory, French, Kitchel, Lyons, MacDonald, Mazza, McAllister, Mullin, Nitka, Rodgers, Sears, Snelling, Starr, Westman.

Those Senators absent and not voting were: Ashe, Baruth, Benning, Collins.

Thereupon, third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 555.

Senator Nitka, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to the commitment of a criminal defendant who is incompetent to stand trial because of a traumatic brain injury.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 4801 is amended to read:

§ 4801. TEST OF INSANITY IN CRIMINAL CASES

(a) The test when used as a defense in criminal cases shall be as follows:

(1) A person is not responsible for criminal conduct if at the time of such conduct, as a result of mental ~~disease or defect~~ illness, developmental disability, or traumatic brain injury, he or she lacks adequate capacity either to appreciate the criminality of his or her conduct or to conform his or her conduct to the requirements of law.

(2) The terms "~~mental disease or defect~~" "mental illness, developmental disability, or traumatic brain injury" do not include an abnormality manifested only by repeated criminal or otherwise anti-social conduct. ~~The terms "mental disease or defect" shall include congenital and traumatic mental conditions as well as disease.~~

(b) The defendant shall have the burden of proof in establishing insanity as an affirmative defense by a preponderance of the evidence.

Sec. 2. 13 V.S.A. § 4814 is amended to read:

§ 4814. ORDER FOR EXAMINATION

(a) Any court before which a criminal prosecution is pending may order the ~~department of mental health~~ Department of Mental Health to have the defendant examined by a psychiatrist at any time before, during or after trial, and before final judgment in any of the following cases:

(1) ~~When~~ when the defendant enters a plea of not guilty, or when such a plea is entered in the defendant's behalf, and then gives notice of the defendant's intention to rely upon the defense of insanity at the time of the alleged crime, or to introduce expert testimony relating to a ~~mental disease, defect,~~ mental illness, developmental disability, traumatic brain injury or other condition bearing upon the issue of whether he or she had the mental state required for the offense charged;

(2) ~~When~~ when the defendant, the ~~state~~ State, or an attorney, guardian, or other person acting on behalf of the defendant, raises before ~~such the court~~ Court the issue of whether the defendant is mentally competent to stand trial for the alleged offense;

(3) ~~When~~ when the ~~court~~ Court believes that there is doubt as to the defendant's sanity at the time of the alleged offense; or

(4) ~~When~~ when the ~~court~~ Court believes that there is doubt as to the defendant's mental competency to be tried for the alleged offense.

(b) ~~Such~~ An order under this section may be issued by the ~~court~~ Court on its own motion, or on motion of the ~~state~~ State, the defendant, or an attorney, guardian, or other person acting on behalf of the defendant.

Sec. 3. 13 V.S.A. § 4815 is amended to read:

§ 4815. PLACE OF EXAMINATION; TEMPORARY COMMITMENT

(a) It is the purpose of this section to provide a mechanism by which a defendant is examined in the least restrictive environment deemed sufficient to complete the examination and prevent unnecessary pre-trial detention and substantial threat of physical violence to any person, including a defendant.

(b) The order for examination may provide for an examination at any jail or correctional center, or at the State Vermont Psychiatric Care Hospital or a designated hospital, ~~or at its successor in interest~~, or at such other place as the Court shall determine, after hearing a recommendation by the Commissioner of Mental Health.

(c) A motion for examination shall be made as soon as practicable after a party or the Court has good faith reason to believe that there are grounds for an examination. An attorney making such a motion shall be subject to the potential sanctions of Rule 11 of the Vermont Rules of Civil Procedure.

(d) Upon the making of a motion for examination, the Court shall order a mental health screening to be completed by a designated mental health professional while the defendant is still at the Court.

(e) If the screening cannot be commenced and completed at the courthouse within two hours from the time of the defendant's appearance before the Court, the Court may ~~forego~~ forgo consideration of the screener's recommendations.

(f) The Court and parties shall review the recommendation of the designated mental health professional and consider the facts and circumstances surrounding the charge and observations of the defendant in court. If the Court finds sufficient facts to order an examination, it may be ordered to be completed in the least restrictive environment deemed sufficient to complete the examination, consistent with subsection (a) of this section.

(g)(1) Inpatient examination at the Vermont ~~State~~ Psychiatric Care Hospital, ~~or its successor in interest~~, or a designated hospital. The Court shall not order an inpatient examination unless the designated mental health professional determines that the defendant is a person in need of treatment as defined in 18 V.S.A. § 7101(17).

(2) Before ordering the inpatient examination, the ~~court~~ Court shall determine what terms, if any, shall govern the defendant's release from custody under sections 7553-7554 of this title.

(3) An order for inpatient examination shall provide for placement of the defendant in the custody and care of the ~~commissioner of mental health~~ Commissioner of Mental Health.

(A) If a Vermont ~~State~~ Psychiatric Care Hospital psychiatrist, ~~or a psychiatrist of its successor in interest~~, or a designated hospital psychiatrist determines prior to admission that the defendant is not in need of inpatient hospitalization ~~prior to admission~~, the Commissioner shall release the defendant pursuant to the terms governing the defendant's release from the Commissioner's custody as ordered by the Court. The Commissioner of Mental Health shall ensure that all individuals who are determined not to be in need of inpatient hospitalization receive appropriate referrals for outpatient mental health services.

(B) If a Vermont ~~State~~ Psychiatric Care Hospital psychiatrist, ~~or a psychiatrist of its successor in interest~~, or designated hospital psychiatrist determines that the defendant is in need of inpatient hospitalization:

(i) The Commissioner shall obtain an appropriate inpatient placement for the defendant at the Vermont ~~State~~ Psychiatric Care Hospital psychiatrist, ~~or a psychiatrist of its successor in interest~~, or a designated hospital and, based on the defendant's clinical needs, may transfer the defendant between hospitals at any time while the order is in effect. A transfer to a designated hospital outside the no refusal system is subject to acceptance of the patient for admission by that hospital.

(ii) The defendant shall be returned to court for further appearance on the following business day if the defendant is no longer in need of inpatient hospitalization, unless the terms established by the ~~court~~ Court pursuant to subdivision (2) of this section permit the defendant to be released from custody.

(C) The defendant shall be returned to court for further appearance within two business days after the Commissioner notifies the ~~court~~ Court that the examination has been completed, unless the terms established by the Court pursuant to subdivision (2) of this section permit the defendant to be released from custody.

(4) If the defendant is to be released pursuant to subdivision (3)(A), (3)(B)(ii), or (3)(C) of this subsection and is not in the custody of the Commissioner of Corrections, the defendant shall be returned to the defendant's residence or ~~such other~~ to another appropriate place within the State of Vermont by the Department of Mental Health at the expense of the ~~court~~ Court.

(5) If it appears that an inpatient examination cannot reasonably be completed within 30 days, the Court issuing the original order, on request of the ~~commissioner~~ Commissioner and upon good cause shown, may order placement at the hospital extended for additional periods of 15 days in order to complete the examination, and the defendant on the expiration of the period provided for in such order shall be returned in accordance with this subsection.

(6) ~~For the purposes of~~ As used in this subsection, "in need of inpatient hospitalization" means an individual has been determined under clinical standards of care to require inpatient treatment.

(h) Except upon good cause shown, defendants charged with misdemeanor offenses who are not in the custody of the Commissioner of Corrections shall be examined on an outpatient basis for mental competency. Examinations occurring in the community shall be conducted at a location within 60 miles of the defendant's residence or at another location agreed to by the defendant.

(i) As used in this section:

(1) ~~No~~, "no refusal system" means a system of hospitals and intensive residential recovery facilities under contract with the Department of Mental Health that provides high intensity services, in which the facilities shall admit any individual for care if the individual meets the eligibility criteria established by the Commissioner in contract.

(2) ~~"Successor in interest" shall mean the mental health hospital owned and operated by the State that provides acute inpatient care and replaces the Vermont State Hospital.~~

Sec. 4. 13 V.S.A. § 4816 is amended to read:

§ 4816. SCOPE OF EXAMINATION; REPORT; EVIDENCE

(a) Examinations provided for in the preceding section shall have reference to:

(1) ~~Mental~~ mental competency of the person examined to stand trial for the alleged offense; and

(2) ~~Sanity~~ sanity of the person examined at the time of the alleged offense.

(b) A competency evaluation for an individual thought to have a developmental disability or traumatic brain injury shall include a current evaluation by a psychologist or other appropriate medical professional skilled in assessing individuals with ~~developmental disabilities~~ those conditions.

(c) As soon as practicable after the examination has been completed, the examining psychiatrist or psychologist, if applicable, shall prepare a report containing findings in regard to each of the matters listed in subsection (a) of this section. The report shall be transmitted to the Court issuing the order for examination, and copies of the report shall be sent to the ~~state's attorney~~ State's Attorney, and to the respondent's attorney if the respondent is represented by counsel.

(d) No statement made in the course of the examination by the person examined, whether or not he or she has consented to the examination, shall be admitted as evidence in any criminal proceeding for the purpose of proving the commission of a criminal offense or for the purpose of impeaching testimony of the person examined.

(e) The relevant portion of a psychiatrist's report shall be admitted into evidence as an exhibit on the issue of the person's mental competency to stand trial, and the opinion therein shall be conclusive on the issue if agreed to by the parties and if found by the Court to be relevant and probative on the issue.

(f) Introduction of a report under subsection (d) of this section shall not preclude either party or the Court from calling the psychiatrist who wrote the report as a witness or from calling witnesses or introducing other relevant evidence. Any witness called by either party on the issue of the defendant's competency shall be at the ~~state's~~ State's expense, or, if called by the Court, at the Court's expense.

Sec. 5. 13 V.S.A. § 4817 is amended to read:

§ 4817. COMPETENCY TO STAND TRIAL; DETERMINATION

(a) A person shall not be tried for a criminal offense if he or she is incompetent to stand trial.

(b) If a person indicted, complained, or informed against for an alleged criminal offense, an attorney or guardian acting in his or her behalf, or the state State, at any time before final judgment, raises before the court before which ~~such~~ the person is tried or is to be tried, the issue of whether ~~such~~ the person is incompetent to stand trial, or if the ~~court~~ Court has reason to believe that ~~such~~ the person may not be competent to stand trial, a hearing shall be held before ~~such~~ the ~~court~~ Court at which evidence shall be received and a finding made regarding his or her competency to stand trial. However, in cases where the ~~court~~ Court has reason to believe that ~~such~~ the person may be incompetent to stand trial due to a mental ~~disease or mental defect, such~~ illness, developmental disability, or traumatic brain injury, the hearing shall not be held until an examination has been made and a report submitted by an examining psychiatrist in accordance with sections 4814-4816 of this title.

(c) A person who has been found incompetent to stand trial for an alleged offense may be tried for that offense if, upon subsequent hearing, ~~such~~ the person is found by the court having jurisdiction of his or her trial for the offense to have become competent to stand trial.

Sec. 6. 13 V.S.A. § 4819 is amended to read:

§ 4819. ACQUITTAL BY REASON OF INSANITY

When a person tried on information, complaint, or indictment is acquitted by a jury by reason of insanity at the time of the alleged offense, the jury shall state in its verdict of not guilty that the ~~same is given for such cause~~ acquittal is for that reason.

Sec. 7. 13 V.S.A. § 4820 is amended to read:

§ 4820. HEARING REGARDING COMMITMENT

~~When a person charged on information, complaint, or indictment with a criminal offense:~~

~~(1) Is reported by the examining psychiatrist following examination pursuant to sections 4814-4816 of this title, to have been insane at the time of the alleged offense; or~~

~~(2) Is found upon hearing pursuant to section 4817 of this title to be incompetent to stand trial due to a mental disease or mental defect; or~~

~~(3) Is not indicted upon hearing by grand jury by reason of insanity at the time of the alleged offense, duly certified to the court; or~~

~~(4) Upon trial by court or jury is acquitted by reason of insanity at the time of the alleged offense; the court before which such person is tried or is to be tried for such offense, shall hold a hearing for the purpose of determining whether such person should be committed to the custody of the commissioner of mental health.~~

(a) The court before which a person is tried or is to be tried for a criminal offense shall hold a hearing for the purpose of determining whether the person should be committed to the custody of the Commissioner of Mental Health or, as provided in 18 V.S.A. chapter 206, to the Commissioner of Disabilities, Aging, and Independent Living, if the person is charged on information, complaint, or indictment with the offense and:

(1) is reported by the examining psychiatrist following examination pursuant to sections 4814-4816 of this title to have been insane at the time of the alleged offense;

(2) is found upon hearing pursuant to section 4817 of this title to be incompetent to stand trial due to a mental illness, intellectual disability, or traumatic brain injury;

(3) is not indicted upon hearing by grand jury by reason of insanity at the time of the alleged offense, duly certified to the Court; or

(4) upon trial by court or jury is acquitted by reason of insanity at the time of the alleged offense.

~~(b) Such~~ A person subject to a hearing under subsection (a) of this section may be confined in jail or some other suitable place by order of the ~~court~~ Court pending hearing for a period not exceeding 15 days.

Sec. 8. 13 V.S.A. § 4821 is amended to read:

§ 4821. NOTICE OF HEARING; PROCEDURES

The person who is the subject of the proceedings, his or her attorney, the legal guardian, if any, the ~~commissioner of mental health or the commissioner of disabilities, aging, and independent living, and the state's attorney~~ Commissioner of Mental Health or the Commissioner of Disabilities, Aging, and Independent Living, and the State's Attorney or other prosecuting officer representing the ~~state~~ State in the case, shall be given notice of the time and place of a hearing under the preceding section. Procedures for hearings for persons who are mentally ill shall be as provided in 18 V.S.A. chapter 181 of Title 18. Procedures for hearings for persons who are ~~mentally retarded intellectually disabled or have a traumatic brain injury~~ shall be as provided in 18 V.S.A. chapter 206, subchapter 3 of chapter 206 of Title 18.

Sec. 9. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; MENTALLY ILL PERSONS

(a) If the Court finds that ~~such~~ the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the ~~court~~ Court shall issue an order of commitment directed to the Commissioner of Mental Health, which shall admit the person to the care and custody of the Department of Mental Health for an indeterminate period. In any case involving personal injury or threat of personal injury, the committing Court may issue an order requiring a court hearing before a person committed under this section may be discharged from custody.

(b) ~~Such~~ The order of commitment shall have the same force and effect as an order issued under 18 V.S.A. §§ 7611-7622, and persons committed under such an order shall have the same status, and the same rights, including the right to receive care and treatment, to be examined and discharged, and to apply for and obtain judicial review of their cases, as persons ordered committed under 18 V.S.A. §§ 7611-7622.

(c) Notwithstanding the provisions of subsection (b) of this section, at least 10 days prior to the proposed discharge of any person committed under this section the Commissioner of Mental Health shall give notice thereof to the committing Court and ~~state's attorney~~ State's Attorney of the county where the prosecution originated. In all cases requiring a hearing prior to discharge of a person found incompetent to stand trial under section 4817 of this title, the hearing shall be conducted by the committing Court issuing the order under that section. In all other cases, when the committing Court orders a hearing under subsection (a) of this section or when, in the discretion of the Commissioner of Mental Health, a hearing should be held prior to the discharge, the hearing shall be held in the Family Division of the Superior Court to determine if the committed person is no longer a person in need of treatment or a patient in need of further treatment as set forth in subsection (a) of this section. Notice of the hearing shall be given to the Commissioner, the ~~state's attorney~~ State's Attorney of the county where the prosecution originated, the committed person, and the person's attorney. Prior to the hearing, the ~~state's attorney~~ State's Attorney may enter an appearance in the proceedings and may request examination of the patient by an independent psychiatrist, who may testify at the hearing.

(d) The Court may continue the hearing provided in subsection (c) of this section for a period of 15 additional days upon a showing of good cause.

(e) If the ~~court~~ Court determines that commitment shall no longer be necessary, it shall issue an order discharging the patient from the custody of the ~~department of developmental and mental health services~~ Department of Mental Health.

(f) The Court shall issue its findings and order not later than 15 days from the date of hearing.

Sec. 10. 13 V.S.A. § 4823 is amended to read:

§ 4823. FINDINGS AND ORDER; PERSONS WITH MENTAL RETARDATION INTELLECTUAL DISABILITY OR TRAUMATIC BRAIN INJURY

(a) If the ~~court~~ Court finds that ~~such~~ the person is a person in need of custody, care, and habilitation as defined in 18 V.S.A. § 8839, the ~~court~~ Court shall issue an order of commitment directed to the Commissioner of Disabilities, Aging, and Independent Living for care and habilitation of such person for an indefinite or limited period in a designated program.

(b) ~~Such~~ The order of commitment shall have the same force and effect as an order issued under 18 V.S.A. § 8843 and persons committed under ~~such an~~ the order shall have the same status, and the same rights, including the right to receive care and habilitation, to be examined and discharged, and to apply for and obtain judicial review of their cases, as persons ordered committed under 18 V.S.A. § 8843.

(c) Section 4822 of this title shall apply to persons proposed for discharge under this section; however, judicial proceedings shall be conducted in the Criminal Division of the Superior Court in which the person then resides, unless the person resides out of state in which case the proceedings shall be conducted in the original committing Court.

Sec. 11. 18 V.S.A. § 8839 is amended to read:

§ 8839. DEFINITIONS

As used in this subchapter:

* * *

(3) "Person in need of custody, care, and habilitation" means:

(A) a ~~mentally retarded~~ person with an intellectual disability or a person with a traumatic brain injury;

(B) who presents a danger of harm to others; and

(C) for whom appropriate custody, care, and habilitation can be provided by the ~~commissioner~~ Commissioner in a designated program.

Sec. 12. CONSTRUCTION

This act's replacement of the terms "mental disease or mental defect" with the terms "mental illness," "intellectual disability," or "developmental disability" in 13 V.S.A. chapter 157 shall not be construed to alter the substance or effect of existing law or judicial precedent. These changes in terminology are merely meant to reflect evolving attitudes toward persons with disabilities.

Sec. 13. REPORTS

(a) On or before September 1, 2014 the Court Administrator shall report to the House and Senate Committees on Judiciary the House Committee on Human Services, and the Senate Committee on Health and Welfare on the number of cases from July 1, 2011 through June 30, 2013 in which the Court ordered the Department of Mental Health to examine a defendant pursuant to 13 V.S.A. § 4814 to determine if he or she was insane at the time of the offense or is incompetent to stand trial. The report shall include a breakdown indicating how many orders were based on mental illness, developmental disability, and traumatic brain injury, and shall include the number of persons who were found to be in need of custody, care, and habilitation under 13 V.S.A. § 4823. A copy of the report shall be provided to the Department of Disabilities, Aging, and Independent Living.

(b)(1) On or before September 1, 2014, the Department of Sheriffs and State's Attorneys shall report to the House and Senate Committees on Judiciary regarding the charging practices of State's Attorneys for persons with traumatic brain injury.

(2) The report shall describe the number of cases from July 1, 2011 through June 30, 2013, broken down by the type of criminal charge, in which a person with traumatic brain injury was:

(A) charged with a criminal offense, including the disposition of the offense;

(B) charged with a criminal offense and the charges were dismissed because the person was suffering from a traumatic brain injury; and

(C) arrested for, or otherwise believed to be responsible for, a crime and criminal charges were not brought because the person was suffering from a traumatic brain injury.

(3) A copy of the report shall be provided to the Department of Disabilities, Aging, and Independent Living.

(c) On or before October 1, 2014 and on or before February 1, 2015, the Department of Disabilities, Aging, and Independent Living shall report to the

House and Senate Committees on Judiciary, the House Committee on Human Services, and the Senate Committee on Health and Welfare on the status of the Department's progress toward implementation of this act. The status reports shall include updates on the Department's progress in evaluating best practices for treatment of persons with traumatic brain injuries who are unable to conform their behavior to the requirements of the law, and in identifying appropriate programs and services to provide treatment to enable those persons to be fully reintegrated into the community consistent with public safety. The status reports shall also include updates on the Department's progress on the design of the programs and services needed to treat persons with traumatic brain injuries who have been found not guilty by reason of insanity or incompetent to stand trial as required by this act.

Sec. 14. IMPLEMENTATION

(a) On or before April 30, 2015, the Department of Disabilities, Aging, and Independent Living shall request approval and funding from the Senate and House Committees on Judiciary and on Appropriations for the Department's plan to implement this act. The Department shall commence implementation of the plan, including requesting that it be included under the Global Commitment Waiver by the Centers for Medicare and Medicaid Services, if the plan is approved by a majority vote of the Senate and House Committees on Judiciary and funded by a majority vote of the Senate and House Committees on Appropriations.

Sec. 15. APPROPRIATION

The amount of \$50,000.00 is appropriated in fiscal year 2014 from the Global Commitment Fund to the Department of Disabilities, Aging, and Independent Living to research and design a program that satisfies this act's requirement that the Department treat persons with traumatic brain injuries who have been found not guilty by reason of insanity or incompetent to stand trial. To the maximum extent possible, the Department shall design the program to be integrated into the Department's existing framework of services.

Sec. 16. EFFECTIVE DATES

(a) Secs. 1–12 shall take effect on July 1, 2017.

(b) Secs. 13, 14, 15, and this section shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Nitka, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Judiciary.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 877.

Senator McAllister, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to repeal of report requirements that are at least five years old.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Reports Exempt from 2 V.S.A. § 20(d) * * *

Sec. 1. 2 V.S.A. § 263(j) is amended to read:

(j) The ~~secretary of state~~ Secretary of State shall prepare a list of names and addresses of lobbyists and their employers and the list shall be published at the end of the second legislative week of each regular or adjourned session. Supplemental lists shall be published monthly during the remainder of the legislative session. No later than March 15 of the first year of each legislative biennium, the ~~secretary of state~~ Secretary of State shall publish no fewer than 500 booklets containing an alphabetical listing of all registered lobbyists, including, at a minimum, a current passport-type photograph of the lobbyist, the lobbyist's business address, telephone and fax numbers, a list of the lobbyist's clients and a subject matter index. The provisions of subsection 20(d) (expiration of required reports) of this title shall not apply to the report to be made under this subsection.

Sec. 2. 2 V.S.A. § 404(b)(6) is amended to read:

(6) Except when the ~~general assembly~~ General Assembly is in session and upon the request of any person provide him or her, on a weekly basis, with a list of all public hearings or meetings scheduled by a council, committee, subcommittee, commission or study committee of the ~~general assembly~~ General Assembly or any cancellations of hearings or meetings thereof previously scheduled. The provisions of subsection 20(d) (expiration of required reports) of this title shall not apply to the report to be made under this subdivision;

Sec. 3. 2 V.S.A. § 802(b) is amended to read:

(b) At least annually, the ~~committee~~ Committee shall report its activities, together with recommendations, if any, to the ~~general assembly~~ General Assembly. The provisions of subsection 20(d) (expiration of required reports) of this title shall not apply to the report to be made under this subsection.

Sec. 4. 2 V.S.A. § 970(g) is amended to read:

(g) At least annually, by January 15, the Committee shall report its activities, together with recommendations, if any, to the General Assembly. The report shall be in brief summary form. The provisions of subsection 20(d) (expiration of required reports) of this title shall not apply to the report to be made under this subsection.

Sec. 5. 3 V.S.A. § 23(d) is amended to read:

(d) Reporting. The ~~commission~~ Commission shall submit an annual report, which shall be prepared by the ~~secretary of commerce and community development~~ Secretary of Commerce and Community Development, to the ~~house committee on commerce~~ House Committee on Commerce and Economic Development, the ~~senate committee on economic development, housing and general affairs~~ Senate Committee on Economic Development, Housing and General Affairs, the ~~governor~~ Governor, and Vermont's congressional delegation. The report shall contain information acquired pursuant to activities carried out under subsection (c) of this section. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 6. 3 V.S.A. § 309(a)(19) is amended to read:

(19) Annually on or before January 15, the ~~commissioner of human resources~~ Commissioner of Human Resources shall submit to the ~~general assembly~~ General Assembly a report on the status of the ~~state~~ State employee workforce. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. All reporting on numbers of ~~state~~ State employees shall include numbers stated in "full-time equivalent" positions. The report shall consolidate reports mandated by the ~~general assembly~~ General Assembly, as well as other information regarding developments in ~~state~~ State employment, including:

- (A) Use of temporary employees.
- (B) Use of limited service positions.
- (C) Vacancies of more than six months' duration.
- (D) Use of emergency volunteer leave under section 265 of this title.

- (E) Development of compensation plans.
- (F) Developments in equal employment opportunity.
- (G) Use of the position management system.
- (H) Abolished or transferred classified and exempt ~~state~~ State positions.

Sec. 7. 3 V.S.A. § 344(b) is amended to read:

(b) The information on contracts shall be reported to the ~~general assembly~~ General Assembly in the annual workforce report required under subdivision 309(a)(19) of this title. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 8. 3 V.S.A. § 471 is amended to read:

§ 471. RETIREMENT BOARD; MEDICAL BOARD; ACTUARY; RATES OF CONTRIBUTION; SAFEKEEPING OF SECURITIES

* * *

(g) The ~~retirement board~~ Retirement Board shall keep a record of all its proceedings, which shall be open to public inspection. It shall publish annually and distribute to the ~~general assembly~~ General Assembly a report showing the fiscal transactions of the retirement system for the preceding fiscal year, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the retirement system by means of an actuarial valuation of the assets and liabilities of the system. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

* * *

(n) The ~~board~~ Board shall review annually the amount of ~~state~~ State contribution recommended by the actuary of the retirement system as necessary to achieve and preserve the financial integrity of the fund established pursuant to section 473 of this title. Based on this review, the ~~board~~ Board shall recommend the amount of ~~state~~ State contribution that should be appropriated for the next fiscal year to achieve and preserve the financial integrity of the fund. On or before November 1 of each year, the ~~board~~ Board shall submit this recommendation to the ~~governor~~ Governor and the ~~house and senate committees on government operations and appropriations~~ House and Senate Committees on Government Operations and Appropriations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 9. 3 V.S.A. § 473a is amended to read:

§ 473a. PERIODIC ACTUARIAL REPORTS

The ~~board~~ Board shall cause to be made an actuarial reevaluation of the rate of member contributions deducted from earnable compensation pursuant to subdivision 473(b)(2) of this title, on a periodic basis at least every three years, to determine whether the amount deducted is necessary to make the contributions picked up and paid by the ~~state~~ State for such members cost neutral to the ~~general fund~~ General Fund. The actuarial reevaluation shall consider all relevant factors, including federal tax law changes. The ~~board~~ Board shall report the results of the actuarial reevaluation to the ~~general assembly~~ General Assembly together with any recommendations for adjustment in the members' contribution rate under subdivision 473(b)(2). The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 10. 3 V.S.A. § 847(b) is amended to read:

(b) The ~~secretary of state~~ Secretary of State shall publish not less than quarterly a bulletin setting forth the text of all rules filed since the immediately preceding publication and any objections filed under subsection 842(b) or 844(e) of this title. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 11. 3 V.S.A. § 2222(c) is amended to read:

(c) The Secretary shall compile, weekly, a list of all public hearings and meetings scheduled by all ~~executive branch state~~ Executive Branch State agencies, departments, boards, or commissions during the next ensuing week. The list shall be distributed to any person in the State at that person's request. Each ~~executive branch state~~ Executive Branch State agency, department, board, or commission shall notify the Secretary of all public hearings and meetings to be held and any cancellations of such hearings or meetings. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 12. 3 V.S.A. § 2281 is amended to read:

§ 2281. DEPARTMENT OF FINANCE AND MANAGEMENT

The ~~department of finance and management~~ Department of Finance and Management is created in the ~~agency of administration~~ Agency of Administration and is charged with all powers and duties assigned to it by law, including the following:

(1) ~~to~~ To administer the financial transactions of the ~~state~~ State, including payroll transactions, in accordance with the law and within the limits of appropriations made by the ~~general assembly~~; General Assembly.

(2) ~~to~~ To conduct management studies and audits of the performance of ~~state~~ State government;

(3) ~~to~~ To prepare the ~~executive~~ Executive budget;

(4) ~~to~~ To report on an annual basis to the ~~joint fiscal committee~~ Joint Fiscal Committee at its November meetings on the allocation of funds contained in the annual pay acts and the allocation of funds in the annual appropriations act which relate to those annual pay acts. The report shall include the formula for computing these funds, the basis for the formula, and the distribution of the different funding sources among state agencies. The report shall also be submitted to the members of the ~~house and senate committees on government operations and appropriations~~; House and Senate Committees on Government Operations and Appropriations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(5) ~~to~~ To maintain a central payroll office which shall be the successor to and continuation of the payroll functions of the ~~department of human resources~~ Department of Human Resources.

Sec. 13. 4 V.S.A. § 608(e) is amended to read:

(e) On or before the tenth Thursday after the convening of each biennial and adjourned session the ~~committee~~ Committee shall report to the ~~general assembly~~ General Assembly its recommendation whether the candidates should continue in office, with any amplifying information which it may deem appropriate, in order that the ~~general assembly~~ General Assembly may discharge its obligation under section 34 of Chapter II of the Constitution of the State of Vermont ~~constitution~~. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 14. 6 V.S.A. § 793(a) is amended to read:

(a) The council shall:

* * *

(2) Submit policy recommendations to the ~~secretary~~ Secretary on any of the subject matter set forth under subdivision (1) of this subsection. A copy of the policy recommendations submitted to the ~~secretary~~ Secretary shall be provided to the ~~house and senate committees on agriculture~~ House Committee on Agriculture and Forest Products and the Senate Committee on Agriculture.

Recommendations may be in the form of proposed legislation. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

(3) Meet at least annually and at such other times as the chair determines to be necessary.

(4) Submit minutes of the council annually, on or before January 15, to the ~~house and senate committees on agriculture~~ House Committee on Agriculture and Forest Products and the Senate Committee on Agriculture. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 15. 6 V.S.A. § 2966(e) is amended to read:

(e) Annual report. The Board shall make available a report, at least annually, to the Administration, the House Committee on Agriculture and Forest Products, the Senate Committee on Agriculture, the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the people of Vermont on the State's progress toward attaining the goals and outcomes identified in the comprehensive agricultural and forest products economic development plan. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 16. 10 V.S.A. § 217(b) is amended to read:

(b) Prior to February 1 in each year, the ~~authority~~ Authority shall submit a report of its activities for the preceding fiscal year to the ~~governor~~ Governor and to the ~~general assembly~~ General Assembly. The report shall set forth a complete operating and financial statement covering its operations during the year. The ~~authority~~ Authority shall cause an audit of its books and accounts to be made at least once in each year by a certified public accountant and its cost shall be considered an expense of the ~~authority~~ Authority and a copy shall be filed with the ~~state treasurer~~ State Treasurer. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 17. 10 V.S.A. § 639(a) is amended to read:

(a) On or before the last day of January in each year, the ~~agency~~ Agency shall submit a report of its activities for the preceding fiscal year to the ~~governor~~ Governor and to the ~~general assembly~~ General Assembly, specifically the committees in the ~~house~~ House and ~~senate~~ Senate with jurisdiction over housing. Each report shall set forth a complete operating and financial statement covering its operations during the year, including the ~~agency's~~ Agency's present and projected economic health, amount of

indebtedness, a statement of the amounts received from funds generated by interest from real estate escrow and trust accounts established pursuant to 26 V.S.A. § 2214(c), a list and description of the programs to which IORTA funds were provided and the amounts distributed to each county. The ~~agency~~ Agency shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants; the cost shall be considered an expense of the agency and a copy shall be filed with the ~~state treasurer~~ State Treasurer. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 18. 10 V.S.A. § 1253(d) is amended to read:

(d) The Secretary shall determine what degree of water quality and classification should be obtained and maintained for those waters not classified by the Board before 1981 following the procedures in sections 1254 and 1258 of this title. Those waters shall be classified in the public interest. The Secretary shall revise all 17 basin plans by January 1, 2006, and update them every five years thereafter. On or before January 1 of each year, the Secretary shall report to the House Committees on Agriculture and Forest ~~Product~~ Products, on Natural Resources and Energy, and on Fish, Wildlife and Water Resources, and to the Senate Committees on Agriculture and on Natural Resources and Energy regarding the progress made and difficulties encountered in revising basin plans. By January 1, 1993, the Secretary shall prepare an overall management plan to ensure that the water quality standards are met in all State waters. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 19. 10 V.S.A. § 1941(e) is amended to read:

(e) The Secretary shall establish a Petroleum Cleanup Fund Advisory Committee which shall meet not less than annually to review receipts and disbursements from the Fund, to evaluate the effectiveness of the Fund in meeting its purposes, the reasonableness of the cost of cleanup and to recommend alterations and statutory amendments deemed appropriate. The Advisory Committee shall submit an annual report of its findings to the General Assembly on January 15 of each year. In its annual report, the Advisory Committee shall review the financial stability of the Fund, evaluate the implementation of assistance related to underground farm or residential heating fuel storage tanks and aboveground storage tanks, and the need for continuing assistance, and shall include recommendations for sustainable funding sources to finance the provision of that assistance. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. The membership of the Committee shall include the following or their designated representative:

-
- (1) the Secretary of Natural Resources who shall be chairperson;
 - (2) the Commissioner of Environmental Conservation;
 - (3) the Commissioner of Financial Regulation;
 - (4) a licensed gasoline distributor;
 - (5) a retail gasoline dealer;
 - (6) a representative of a statewide refining-marketing petroleum association;
 - (7) one member of the House to be appointed by the Speaker of the House;
 - (8) one member of the Senate to be appointed by the Committee on Committees;
 - (9) a licensed heating fuel dealer;
 - (10) a representative of a statewide heating fuel dealers' association;
 - (11) a licensed real estate broker.

Sec. 20. 10 V.S.A. § 1961(a)(5) is amended to read:

(5) On or before June 15, 1991 and every January thereafter present a report to the Vermont ~~legislature~~ General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision. The report shall include the following:

- (A) An update on the quality of the waters of the lake.
- (B) Findings of pertinent research.
- (C) An action plan including, ~~but not limited to,~~ water quality and fishery improvement measures and ways to enhance public use of and access to the lake.
- (D) Recommended budgets and revenue sources including an expanded lake user fee structure.

Sec. 21. 10 V.S.A. § 2721(c) is amended to read:

(c) ~~The commissioner of forests, parks and recreation~~ Commissioner of Forests, Parks and Recreation shall report in writing to the ~~senate and house committees on agriculture~~ Senate Committee on Agriculture and the House Committee on Agriculture and Forest Products and the ~~senate and house committees on natural resources and energy~~ Senate and House Committees on Natural Resources and Energy on or before January 31 of each year on the activities and performance of the forestry and forest products viability

program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. At a minimum, the report shall include:

(1) an evaluation of the program utilizing the performance goals and evaluative measures established pursuant to subdivision (a)(5)(C) of this section;

(2) a summary of the money received in the ~~fund~~ Fund and expended from the ~~fund~~ Fund;

(3) an estimate of the financial impact of the Vermont ~~forestry and forest products viability program~~ Forestry and Forest Products Viability Program on the forestry and forest products industries;

(4) an assessment of the potential demand for the ~~program~~ Program over the succeeding three years; and

(5) a listing of individuals, trade associations, and other persons or entities consulted in preparation of the report.

Sec. 22. 10 V.S.A. § 4145(c) is amended to read:

(c) The ~~commissioner~~ Commissioner shall keep account of funds, including private donations and ~~state~~ State appropriations, which are deposited into the ~~fish and wildlife fund~~ Fish and Wildlife Fund for the purpose of building and maintaining access areas and shall annually, on or before January 15, report to the ~~house committee on fish, wildlife and water resources~~ House Committee on Fish, Wildlife and Water Resources, the ~~senate committee on natural resources and energy~~ Senate Committee on Natural Resources and Energy and to the ~~senate and house committees on appropriations~~ Senate and House Committees on Appropriations, concerning the use of those funds in the past year and plans for use of the funds for the coming year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 23. 10 V.S.A. § 6503(a) is amended to read:

(a) The ~~committee~~ Committee shall report to the ~~general assembly~~ General Assembly its recommendation to approve or not to approve the petition for the facility together with such additional information and comment it deems appropriate. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 24. 10 V.S.A. § 8017 is amended to read:

§ 8017. ANNUAL REPORT

The ~~secretary~~ Secretary and the ~~attorney general~~ Attorney General shall report annually to the ~~president pro tempore of the senate~~ President Pro Tempore of the Senate, the ~~speaker of the house~~ Speaker of the House, the ~~house committee on fish, wildlife and water resources~~ House Committee on Fish, Wildlife and Water Resources, and the ~~senate and house committees on natural resources and energy~~ Senate and House Committees on Natural Resources and Energy. The report shall be filed no later than January 15, on the enforcement actions taken under this chapter, and on the status of citizen complaints about environmental problems in the ~~state~~ State. The report shall describe, at a minimum, the number of violations, the actions taken, disposition of cases, the amount of penalties collected, and the cost of administering the enforcement program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 25. 15 V.S.A. § 1140(g) is amended to read:

(g) The ~~commission~~ Commission shall report its findings and recommendations to the ~~governor~~ Governor, the ~~general assembly~~ General Assembly, the ~~chief justice of the Vermont supreme court~~ Chief Justice of the Vermont Supreme Court, and the Vermont ~~council on domestic violence~~ Council on Domestic Violence no later than the third Tuesday in January of the first year of the biennial session. The report shall be available to the public through the ~~office of the attorney general~~ Office of the Attorney General. The ~~commission~~ Commission may issue data or other information periodically, in addition to the biennial report. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 26. 16 V.S.A. § 164(17) is amended to read:

(17) Report annually on the condition of education statewide and on a school by school basis. The report shall include information on attainment of standards for student performance adopted under subdivision 164(9) of this section, number and types of complaints of harassment or hazing made pursuant to section 565 of this title and responses to the complaints, financial resources and expenditures, and community social indicators. The report shall be organized and presented in a way that is easily understandable by the general public and that enables each school to determine its strengths and weaknesses. The ~~commissioner~~ Commissioner shall use the information in the report in determining whether students in each school are provided educational opportunities substantially equal to those provided in other schools pursuant to subsection 165(b) of this title. The provisions of 2 V.S.A. § 20(d) (expiration

of required reports) shall not apply to the report to be made under this subdivision.

Sec. 27. 16 V.S.A. § 165(a)(2) is amended to read:

(2) The school, at least annually, reports student performance results to community members in a format selected by the school board. In the case of a regional technical center, the community means the school districts in the service region. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision. The school report shall include:

* * *

Sec. 28. 16 V.S.A. § 1942(r) is amended to read:

(r) The ~~board~~ Board shall review annually the amount of ~~state~~ State contribution recommended by the actuary of the retirement system as necessary to achieve and preserve the financial integrity of the fund established pursuant to section 1944 of this title. Based on this review, the ~~board~~ Board shall determine the amount of ~~state~~ State contribution necessary for the next fiscal year to achieve and preserve the financial integrity of the funds. On or before November 1 of each year, the ~~board~~ Board shall inform the ~~governor~~ Governor and the ~~house and senate committees on government operations and on appropriations~~ House and Senate Committees on Government Operations and on Appropriations in writing about the amount needed. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 29. 16 V.S.A. § 2835 is amended to read:

§ 2835. CONTROLS, AUDITS, AND REPORTS

Control of funds appropriated and all procedures incident to the carrying out of the purposes of this chapter shall be vested in the ~~board~~ Board. The books of account of the corporation shall be audited annually by an independent public accounting firm registered in the ~~state~~ State of Vermont in accordance with government auditing standards issued by the ~~United States~~ U.S. Government Accountability Office (GAO) and the resulting audit report filed with the ~~secretary of administration~~ Secretary of Administration not later than November 1 each year. The ~~auditor of accounts~~ Auditor of Accounts or his or her designee shall be the ~~state's~~ State's nonvoting representative to an audit committee established by the ~~board~~ Board. Biennially, the ~~board~~ Board shall report to the ~~legislature~~ Legislature on its activities during the preceding biennium. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 30. 16 V.S.A. § 2905(h) is amended to read:

(h) The ~~council~~ Council shall report on its activities to the ~~house and senate committees on education~~ House and Senate Committees on Education and to the ~~state board of education~~ State Board of Education each year in January. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 31. 16 V.S.A. § 2967(a) is amended to read:

(a) On or before December 15, the ~~commissioner~~ Commissioner shall publish an estimate, by town school district, city school district, union school district, unified union school district, incorporated school district, and the member school districts of an interstate school district, of the amount of ~~state~~ State assistance necessary to fully fund sections 2961 through 2963 of this title in the ensuing school year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 32. 16 V.S.A. § 4010(i) is amended to read:

(i) The ~~commissioner~~ Commissioner shall evaluate the accuracy of the weights established in subsection (c) of this section and, at the beginning of each biennium, shall propose to the ~~house and senate committees on education~~ House and Senate Committees on Education whether the weights should stay the same or be adjusted. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 33. 18 V.S.A. § 709 is amended to read:

§ 709. ANNUAL REPORT

(a) The director of the Blueprint shall report annually, no later than January ~~15~~ 31, on the status of implementation of the Vermont Blueprint for Health for the prior calendar year and shall provide the report to the ~~house committee on health care~~ House Committee On Health Care, the ~~senate committee on health and welfare~~ Senate Committee on Health and Welfare, and the ~~health care oversight committee~~ Health Care Oversight Committee.

(b) The report required by subsection (a) of this section shall include the number of participating insurers, health care professionals, and patients; the progress made in achieving statewide participation in the chronic care management plan, including the measures established under this subchapter; the expenditures and savings for the period; the results of health care professional and patient satisfaction surveys; the progress made toward creation and implementation of privacy and security protocols; information on the progress made toward the requirements in this subchapter; and other information as requested by the committees. The provisions of 2 V.S.A.

§ 20(d) (expiration of required reports) shall not apply to the report to be made under subsection (a) of this section.

Sec. 34. 18 V.S.A. § 9352(e) is amended to read:

(e) Report. No later than January 15 of each year, VITL shall file a report with the Secretary of Administration; the Commissioner of Information and Innovation; the Commissioner of Financial Regulation; the Commissioner of Vermont Health Access; the Secretary of Human Services; the Commissioner of Health; the Commissioner of Mental Health; the Commissioner of Disabilities, Aging, and Independent Living; the Senate Committee on Health and Welfare; and the House Committee on Health Care. The report shall include an assessment of progress in implementing health information technology in Vermont and recommendations for additional funding and legislation required. In addition, VITL shall publish minutes of VITL meetings and any other relevant information on a public website. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 35. 18 V.S.A. § 9410(i) is amended to read:

(i) On or before January 15, 2008 and every three years thereafter, the Commissioner shall submit a recommendation to the General Assembly for conducting a survey of the health insurance status of Vermont residents. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 36. 21 V.S.A. § 1309 is amended to read:

§ 1309. REPORTS; SOLVENCY OF TRUST FUND

On or before January 31 of each year, the Commissioner shall submit to the Governor and the Chairs of the Senate Committee on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means a report covering the administration and operation of this chapter during the preceding calendar year. The report shall include a balance sheet of the ~~moneys~~ monies in the Fund and data as to probable reserve requirements based upon accepted actuarial principles, with respect to business activity, and other relevant factors for the longest available period. The report shall also include recommendations for amendments of this chapter as the Board considers proper. Whenever the Commissioner believes that the solvency of the Fund is in danger, the Commissioner shall promptly inform the Governor and the Chairs of the Senate Committees on Economic Development, Housing and General Affairs and on Finance, and the House Committees on Commerce and Economic Development and on Ways and Means, and make recommendations

for preserving an adequate level in the Trust Fund. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 37. 24 V.S.A. § 1354 is amended to read:

§ 1354. ACCOUNTS; ANNUAL REPORT

The supervisor or supervisors shall maintain an account showing in detail the revenue raised and the expenses necessarily incurred in the performance of the supervisor's duties. The supervisor or supervisors shall prepare an annual fiscal report by July 1 which shall conform to procedural and substantive requirements to be established by the ~~board of governors~~ Board of Governors and which, upon approval by the ~~board of governors~~ Board of Governors, shall be distributed to the residents of the gores. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 38. 24 V.S.A. § 4498 is amended to read:

§ 4498. HOUSING BUDGET AND INVESTMENT REPORTS

The ~~commissioner of housing and community affairs~~ Commissioner of Housing and Community Affairs shall:

(1) Create a Vermont housing budget designed to assure efficient expenditure of ~~state~~ State funds appropriated for housing development, to encourage and enhance cooperation among housing organizations, to eliminate overlap and redundancy in housing development efforts, and to ensure appropriate geographic distribution of housing funds. The Vermont housing budget shall include any ~~state~~ State funds of \$50,000.00 or more awarded or appropriated for housing. The Vermont housing budget and appropriation recommendations shall be submitted to the General Assembly annually on or before January 15. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the recommendations to be made under this subdivision, and the report shall include the amounts and purposes of funds appropriated for or awarded to the following:

(A) The Vermont ~~housing and conservation trust fund~~ Housing and Conservation Trust Fund.

(B) The ~~agency of human services~~ Agency of Human Services.

(C) The ~~agency of commerce and community development~~ Agency of Commerce and Community Development.

(D) Any other entity that fits the funding criteria.

(2) Annually, develop a Vermont housing investment plan in consultation with the Vermont ~~housing council~~ Housing Council. The housing investment plan shall be consistent with the Vermont consolidated plan for housing, in order to coordinate the investment of ~~state~~ State, federal and other resources, such as ~~state~~ State appropriations, tax credits, rental assistance, and mortgage revenue bonds, to increase the availability and improve the quality of Vermont's housing stock. The housing investment plan shall be submitted to the ~~general assembly~~ General Assembly, annually on January 15. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the plan to be made under this subdivision, and the plan shall:

(A) target investments at single-family housing, mobile homes, multifamily housing, and housing for homeless persons and people with special needs;

(B) recommend approaches that maximize the use of available ~~state~~ State and federal resources;

(C) identify areas of the state that face the greatest housing shortages; and

(D) recommend strategies to improve coordination among ~~state~~ State, local, and regional offices in order to remedy identified housing shortages.

Sec. 39. 24 V.S.A. § 4594 is amended to read:

§ 4594. ANNUAL REPORT; AUDIT

On or before the last day of February in each year, the bank shall make a report of its activities for the preceding calendar year to the ~~governor~~ Governor and to the ~~legislature~~ General Assembly. Each report shall set forth a complete operating and financial statement covering its operations during the year. The bank shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof shall be considered an expense of the bank and a copy thereof shall be filed with the ~~state treasurer~~ State Treasurer. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 40. 24 V.S.A. § 4753a(a) is amended to read:

(a) Pollution control. The General Assembly shall approve all categories of awards made from the special funds established by section 4753 of this title for water pollution control facility construction, in order to assure that such awards conform with State policy on water quality and pollution abatement, and with the State policy that municipal entities shall receive first priority in the award of public monies for such construction, including monies returned to the

revolving funds from previous awards. To facilitate this legislative oversight, the Secretary of Natural Resources shall annually no later than January 15 report to the House Committee on Corrections and Institutions, the Senate Committee on Institutions, and the House and Senate Committees on Resources and Energy on all awards made from the relevant special funds during the prior and current fiscal years, and shall report on and seek legislative approval of all the types of projects for which awards are proposed to be made from the relevant special funds during the current or any subsequent fiscal year. Where feasible, the specific projects shall be listed. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 41. 24 V.S.A. § 4753b(b) is amended to read:

(b) The Commissioner shall report receipt of a grant under this section to the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions and the Joint Fiscal Committee. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 42. 26 V.S.A. § 3105(d) is amended to read:

(d) Prior to review under this chapter and consideration by the ~~legislature~~ General Assembly of any bill to regulate a profession or occupation, the ~~office of professional regulation~~ Office of Professional Regulation shall make, in writing, a preliminary assessment of whether any particular request for regulation meets the criteria set forth in subsection (a) of this section. The ~~office~~ Office shall report its preliminary assessment to the appropriate ~~house or senate committee on government operations~~ House or Senate Committee on Government Operations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 43. 26 V.S.A. § 3106 is amended to read:

§ 3106. DIRECTOR OF THE OFFICE OF PROFESSIONAL REGULATION; ANNUAL REPORT

Annually, the ~~director of the office of professional regulation~~ Director of the Office of Professional Regulation shall prepare a concise report on the activities of all boards under his or her jurisdiction. Prior to the commencement of each legislative session, the ~~director~~ Director shall prepare a report for publication on the office's website containing his or her assessments, conclusions, and recommendations with proposals for legislation, if any, to the ~~speaker of the house~~ Speaker of the House and to the ~~chairpersons of the government operations committees of the house and senate~~ Chairpersons of the House and Senate Committees on Government Operations and the

chairpersons of the boards. The office shall also provide written copies of the report to the ~~house and senate committees on government operations~~ House and Senate Committees on Government Operations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 44. 29 V.S.A. § 152(a)(25) is amended to read:

(25) Transfer any unexpended project balances from previous capital construction acts for the purpose of emergency projects not authorized in a capital construction act in an amount not to exceed \$100,000.00; provided the Commissioner shall send timely written notice of such expenditures to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 45. 29 V.S.A. § 531(c) is amended to read:

(c) Each ~~state~~ State land manager shall adopt a written statement of objectives, policies, procedures, and a program to guide the development of the ~~state's~~ State's oil and gas resources. Biennially, each ~~state~~ State land manager and the ~~board~~ Board shall prepare and submit to the ~~general assembly~~ General Assembly a proposed four-year oil and gas leasing and management program and a report on all leasing and management activities undertaken during the preceding two years. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. Managers may elect to collaborate on a joint program of planning, leasing, and reporting to fulfill the requirements of this section.

Sec. 46. [Deleted.]

Sec. 47. [Deleted.]

Sec. 48. 30 V.S.A. § 203a(c) is amended to read:

(c) Report. On or before January 15, 2010, and annually thereafter, the ~~Public Service~~ Department of Public Service shall report to the ~~Legislature~~ General Assembly on the expenditure of funds from the Fuel Efficiency Fund to meet the public's needs for energy efficiency services. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 49. 30 V.S.A. § 209(d)(3)(A) is amended to read:

(A) Balances in the Electric Efficiency Fund shall be ratepayer funds, shall be used to support the activities authorized in this subdivision, and shall be carried forward and remain in the Fund at the end of each fiscal year. These

monies shall not be available to meet the general obligations of the State. Interest earned shall remain in the Fund. The Board will annually provide the General Assembly with a report detailing the revenues collected and the expenditures made for energy efficiency programs under this section. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 50. 30 V.S.A. § 255(e) is amended to read:

(e) Reports. By January 15 of each year, commencing in 2007, the Department of Public Service in consultation with the Agency of Natural Resources and the Public Service Board shall provide to the House and Senate Committees on Natural Resources and Energy, the Senate Committee on Finance, and the House Committee on Commerce a report detailing the implementation and operation of RGGI and the revenues collected and the expenditures made under this section, together with recommended principles to be followed in the allocation of funds. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 51. 30 V.S.A. § 5038(a) is amended to read:

(a) On or before the last day of January in each year, the authority shall submit a report of its activities for the preceding calendar year to the ~~governor~~ Governor, the ~~public service board~~ Public Service Board, and the ~~general assembly~~ General Assembly. Each report shall set forth a complete operating and financial statement covering its operations during the year, and shall contain a full and complete statement of the authority's anticipated budget and operations for the ensuing year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants; the cost shall be considered an expense of the authority and copies shall be filed with the ~~state treasurer~~ State Treasurer and the ~~public service board~~ Public Service Board.

Sec. 52. 30 V.S.A. § 8105(b) is amended to read:

(b) Beginning March 1, 2010, and annually thereafter, the Commissioner of Public Service shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Natural Resources and Energy, the House Committees on Ways and Means, on Commerce and Economic Development, and on Natural Resources and Energy, and the Governor which shall include an update on progress made in the development of the Vermont village green renewable projects authorized under this chapter. The report also shall include an analysis of the costs and

benefits of the projects as well as any recommendations consistent with the purposes of this chapter. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 53. 30 V.S.A. § 8015(e)(7)(A) is amended to read:

(A) By January 15 of each year, provide to the House and Senate Committees on Natural Resources and Energy, the Senate Committee on Finance, and the House Committee on Commerce and Economic Development a report for the fiscal year ending the preceding June 30 detailing the activities undertaken, the revenues collected, and the expenditures made under this subchapter. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 54. 32 V.S.A. § 5(a)(3) is amended to read:

(3) This section shall not apply to the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, or to the acceptance by the Department of Forests, Parks and Recreation of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less, provided that such acceptance will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities. The Secretary of Administration and Joint Fiscal Office shall be promptly notified of the source, value, and purpose of any items received under this subdivision. The Joint Fiscal Office shall report all such items to the Joint Fiscal Committee quarterly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 55. 32 V.S.A. § 166 is amended to read:

§ 166. PAYMENTS TO TOWNS; RETURNS BY COMMISSIONER OF FINANCE AND MANAGEMENT

On or before January 10 of each year, the Commissioner of Finance and Management shall transmit to the ~~Auditors~~ auditors of each town a statement showing the amount of money paid by the State to the town and the purpose for which paid during the year ending December 31 preceding the date of such statement, the date of such payments and purpose for which made, unless the Commissioner of Finance and Management is requested to send such statement at some other date to conform to the fiscal year of such municipality. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 56. 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget which shall embody his or her estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

(b) The Governor shall also submit to the General Assembly, not later than the third Tuesday of each session of every biennium, a tax expenditure budget which shall embody his or her estimates, requests, and recommendations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. The tax expenditure budget shall be divided into three parts and made as follows:

(1) A budget covering tax expenditures related to nonprofits and charitable organizations and covering miscellaneous expenditures shall be made by the third Tuesday of the legislative session beginning in January 2012 and every three years thereafter.

(2) A budget covering tax expenditures related to economic development, including business, investment, and energy, shall be made by the third Tuesday of the legislative session beginning in January 2013 and every three years thereafter.

(3) A budget covering tax expenditures made in furtherance of Vermont's human services, including tax expenditures affecting veterans, shall be made by the third Tuesday of the legislative session beginning in January 2014 and every three years thereafter.

(c) The tax expenditure budget shall be provided to the House Committee on Ways and Means and the Senate Committee on Finance, which committees shall review the tax expenditure budget and shall report their recommendations in bill form.

Sec. 57. 32 V.S.A. § 309(e) is added to read:

(e) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to any report to be made under this section.

Sec. 58. 32 V.S.A. § 311(b) is amended to read:

(b) At the request of the House or Senate Committee on Government Operations or on Appropriations, the State Treasurer, and the Commissioner of Finance and Management shall present to the requesting committees the recommendations submitted under 3 V.S.A. § 471(n) and 16 V.S.A. § 1942(r). The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 59. 32 V.S.A. § 312(b) is amended to read:

(b) Tax expenditure reports. Biennially, as part of the budget process, beginning January 15, 2009, the Department of Taxes and the Joint Fiscal Office shall file with the House Committees on Ways and Means and Appropriations and the Senate Committees on Finance and Appropriations a report on tax expenditures in the personal and corporate income taxes, sales and use tax, and meals and rooms tax, insurance premium tax, bank franchise tax, education property tax, diesel fuel tax, gasoline tax, motor vehicle purchase and use tax, and such other tax expenditures for which the Joint Fiscal Office and the Department of Taxes jointly have produced revenue estimates. The Office of Legislative Council shall also be available to assist with this tax expenditure report. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. The report shall include, for each tax expenditure, the following information:

- (1) ~~A~~ a description of the tax expenditure;
- (2) ~~The~~ the most recent fiscal information available on the direct cost of the tax expenditure in the past two years;
- (3) ~~The~~ the date of enactment of the expenditure; and
- (4) ~~A~~ a description of and estimate of the number of taxpayers directly benefiting from the expenditure provision.

Sec. 60. 32 V.S.A. § 511 is amended to read:

§ 511. EXCESS RECEIPTS

If any receipts including federal receipts exceed the appropriated amounts, the receipts may be allocated and expended on the approval of the Commissioner of Finance and Management. If, however, the expenditure of those receipts will establish or increase the scope of the program, which establishment or increase will at any time commit the State to the expenditure of State funds, they may only be expended upon the approval of the ~~legislature~~ General Assembly. Excess federal receipts, whenever possible, shall be utilized to reduce the expenditure of State funds. The Commissioner of

Finance and Management shall report to the Joint Fiscal Committee quarterly with a cumulative list and explanation of the allocation and expenditure of such excess receipts. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 61. 32 V.S.A. § 605(a) is amended to read:

(a) The Governor shall, no later than the third Tuesday of every annual legislative session, submit a consolidated Executive Branch fee report and request to the General Assembly, which shall accompany the Governor's annual budget report and request submitted to the General Assembly as required by section 306 of this title, except that the first fee report shall be submitted by October 1, 1996 to the House and Senate Committee on Ways and Means, the House and Senate Committee on Finance, and the House and Senate Committee on Government Operations. The first fee request shall be submitted during the 1997 session as provided herein ~~above~~. The content of each annual report and request for fees concerning State agency public records maintained pursuant to 1 V.S.A. chapter 5, subchapter 3 shall be prepared by the Secretary of State, who shall base all recommended fee amounts on "actual cost." The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 62. 32 V.S.A. § 605a(a) is amended to read:

(a) The ~~Justices~~ justices of the Supreme Court or the Court Administrator if one is appointed pursuant to 4 V.S.A. § 21, in consultation with the ~~Justices~~ justices of the Supreme Court, shall submit a consolidated Judicial Branch fee report and request no later than the third Tuesday of the legislative session of 2011 and every three years thereafter. The report shall be submitted to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Government Operations. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 63. 32 V.S.A. § 704 is amended to read:

§ 704. INTERIM BUDGET AND APPROPRIATION ADJUSTMENTS

(a) The General Assembly recognizes that acts of appropriations and their sources of funding reflect the priorities for expenditures of public funds enacted by the Legislature, and that major reductions or adjustments, when required by reduced State revenues or other reasons, ought to be made whenever possible by an act of the Legislature reflecting its revisions of those priorities. Nevertheless, if the General Assembly is not in session, authorized appropriations and their sources of funding may be adjusted and funds may be transferred pursuant to the provisions of this section.

(b)(1) If the official State revenue estimates of the Emergency Board for the General Fund, the Transportation Fund, or federal funds, determined under section 305a of this title have been reduced by one percent or more from the estimates determined and assumed for purposes of the general appropriations act or budget adjustment act, and if the General Assembly is not in session, in order to adjust appropriations and their sources of funding under this subdivision, the Secretary shall prepare a plan for approval by the Joint Fiscal Committee, and authorized appropriations and their sources of funding may be adjusted and funds transferred pursuant to a plan approved under this section.

(2) If the Secretary of Administration determines that the current fiscal year revenues for the General Fund, Transportation Fund, or federal funds are likely to be reduced from the official revenue estimates by less than one percent, the Secretary may prepare and implement an expenditure reduction plan, and implement appropriations reductions in accordance with the plan. The Secretary may implement a plan under this subdivision without the approval of the Joint Fiscal Committee if reductions to any individual appropriation do not exceed five percent of the appropriation's amount for personal services, operating expenses, grants, and other categories, and provided that the plan is designed to minimize any negative effects on the delivery of services to the public, and shall not have any unduly disproportionate effect on any single function, program, service, benefit, or county. Plans not requiring the approval of the Joint Fiscal Committee shall be filed with the Joint Fiscal Office prior to implementation. If the Secretary's plan consists of disproportionate reductions greater than five percent in any line item, such plan shall not be implemented without the approval of the Joint Fiscal Committee.

(c) A plan prepared by the Secretary shall indicate the amounts to be adjusted in each appropriation, and in personal services, operating expenses, grants, and other categories, shall indicate the effect of each adjustment in appropriations and their sources of funding, and each fund transfer, on the primary purposes of the program, and shall indicate how it is designed to minimize any negative effects on the delivery of services to the public, and any unduly disproportionate effect the plan may have on any single function, program, service, benefit, or county.

(d) An expenditure reduction plan under subdivision (b)(2) of this section shall not include any reduction in:

(1) appropriations authorized and necessary to fulfill the State's debt obligations;

(2) appropriations authorized for the Judicial or Legislative ~~Branches~~ Branch, except that the plan may recommend reductions for consideration by the Judicial or Legislative ~~Branches~~ Branch; or

(3) appropriations for the salaries of elected officers of the Executive Branch listed in subsection 1003(a) of this title.

(e)(1) The Joint Fiscal Committee shall have 21 days from the date of submission of a plan under subdivision (b)(1) of this section to consider the plan, and may approve or disapprove the plan upon a vote of a majority of the members of the Committee. If the Committee vote results in a tie, the plan shall be deemed disapproved; and if the Committee fails for any other reason to take final action on such plan within 21 days of its submission to the Committee, it shall be deemed to be disapproved. During the 21-day period for consideration of the plan, the Committee shall conduct a public hearing and provide an opportunity for public comment on the plan.

(2) If the plan is disapproved, then in order to communicate the priorities of the General Assembly, the Committee shall make recommendations to the Secretary for amendments to the plan. Within seven days after the Committee notifies the Secretary of its disapproval of a plan, the Secretary may submit a final plan to the Committee. The ~~committee~~ Committee shall have 14 days from the date of submission of a final plan to consider that plan and to vote by a majority of the members of the Committee to approve or disapprove the plan; but if the Committee fails to approve or disapprove the plan by a majority vote, the plan shall be deemed disapproved. If the Secretary's final plan includes any changes from the original plan other than those recommended by the Committee, then during the 14-day period for consideration of the final plan, the Committee shall conduct a public hearing and provide an opportunity for public comment, with the scope of the hearing and the comments limited to the changes from the original plan.

(3) In determining whether to approve a plan submitted by the Secretary under this subsection, the Committee shall consider whether the plan minimizes any negative effects on the delivery of services to the public, and whether the plan will have any unduly disproportionate effect on any single function, program, service, benefit, or county.

(4) Any plan disapproved under this section shall not be implemented.

(5) For purposes of this section, the Committee shall be convened at the call of the Chair or at the request of at least three members of the Committee.

(f) In the event of a reduction in the official revenue estimate of one percent or more, the Secretary may implement an expenditure reduction plan in the manner provided for in subdivision (b)(2) of this section, provided that the

reduction in appropriations is not greater than one percent of the prior official revenue estimate.

(g) No plan may be approved or implemented under this section which:

(1) would reduce appropriations from any fund by more than the cumulative reductions in the official State revenue estimates of the Emergency Board for the General Fund, the Transportation Fund, or federal funds, determined under section 305a of this title, from the estimate originally determined and assumed for purposes of the general appropriations act or budget adjustment act; minus the total reductions in appropriations already taken under this section in that fund in the fiscal year; or

(2) would result in total reductions under this section in appropriations in the fiscal year from any fund by more than four percent of the estimate originally determined and assumed for purposes of the general appropriations act or budget adjustment act; or

(3) would adjust revenues or expenditures of the Education Fund as prescribed by law.

(h) The provisions of this section shall apply to each official State revenue estimate of the Emergency Board in the fiscal year and when the General Assembly is not in session.

(i) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the plan to be made under this section.

Sec. 64. 32 V.S.A. § 705(c) is amended to read:

(c) The authority conferred by this section is granted solely for the ministerial purpose of managing the State's financial accounts. Nothing contained in this section shall authorize any decrease in any such appropriation. If allotments have been made, the Secretary shall report to the Joint Fiscal Committee on or before the 15th day of each quarter, identifying and describing the allotments made pursuant to the authority granted by this section during the preceding quarter. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 65. 32 V.S.A. § 1001(c) is amended to read:

(c) Committee estimate of a prudent amount of net State tax-supported debt; affordability considerations. On or before September 30 of each year, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of net State tax-supported debt which prudently may be authorized for the next fiscal year, together with a report explaining the basis for the estimate. The provisions of 2 V.S.A. § 20(d) (expiration of required

reports) shall not apply to the report to be made under this subsection. In developing its annual estimate, and in preparing its annual report, the Committee shall consider:

* * *

Sec. 66. 32 V.S.A. § 1001a is amended to read:

§ 1001a. REPORTS

The Capital Debt Affordability Advisory Committee shall prepare and submit consistent with 2 V.S.A. § 20(a) a report on:

(1) ~~general~~ General obligation debt, pursuant to subsection 1001(c) of this title; ~~and~~.

(2) ~~how~~ How many, if any, Transportation Infrastructure Bonds have been issued and under what conditions. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 67. 32 V.S.A. § 3101(b) is amended to read:

(b) The Commissioner shall:

(1) report biennially to the General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision;

* * *

(11) from time to time prepare and publish statistics reasonably available with respect to the operation of this title, including amounts collected, classification of taxpayers, tax liabilities, and such other facts as the Commissioner or the General Assembly considers pertinent. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision;

(12) [Repealed.]

(13) from time to time provide municipalities with recommended methods for determining, for municipal tax purposes, the fair market value of renewable energy plants that are subject to taxation under section 8701 of this title.

Sec. 68. 32 V.S.A. § 3412 is amended to read:

§ 3412. ANNUAL REPORT

Before January 15 of each year, the Director shall deliver to the Speaker of the House of Representatives and to the President Pro Tempore of the Senate

copies of an annual report including in that report all rules issued in the preceding year. The report shall include the rate per dollar and the amount of all taxes assessed in each and all of the towns, gores, school and fire districts and villages for and during the year ending with June 30, preceding, and the value of all exempt property on each grand list as required by subsection 4152(a) of this title. The report shall also include an analysis of the appraisal practices and methods employed through the State. The Director shall include recommendations for statutory changes as he or she feels necessary. Copies of the annual report shall be forwarded to the Chair of the Selectboard of each town. The presiding officer shall refer the report to the appropriate committees of the General Assembly for their review and recommendation. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 69. [Deleted.]

Sec. 70. 33 V.S.A. § 2032(e) is amended to read:

(e) The Department shall conduct comprehensive evaluations of the Board's success in improving clinical and utilization outcomes using claims data and a survey of health care professional satisfaction. The Department shall report annually by January 15 to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding the results of the most recent evaluation or evaluations and a summary of the Board's activities and recommendations since the last report. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 71. 33 V.S.A. § 4603(16) is amended to read:

(16) Report to the Governor and the legislative committees of jurisdiction during the first month of each legislative biennium on the Council's findings and recommendations, progress toward outcomes consistent with No. 68 of the Acts of the 2009 Adj. Sess. (2010), and recommendations for priorities for the biennium. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 72. 2005 Acts and Resolves No. 71, Sec. 142a(a) as amended by 2006 Acts and Resolves No. 93, Sec. 47 is amended to read:

(a) It is the intent of the legislature ~~General Assembly~~ that should the projected need for out-of-state beds be reduced from the amount budgeted at any time during any fiscal year and this need is expected to remain at or below this new level for at least 12 months, the resources within the correctional services budget that would have been used for out-of-state bed capacity be

reallocated first to community supervision to create and fill at least five community supervision positions, including caseworkers and community corrections officers for each ~~50-bed~~ 50-bed reduction in long-term projected out-of-state bed need. Projections of out-of-state bed need for at least the subsequent 12 months shall be made by the ~~department of corrections~~ Department of Corrections for presentation at each meeting to the ~~legislative joint corrections oversight committee~~ Legislative Joint Corrections Oversight Committee. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 73. [Deleted.]

Sec. 74. [Deleted.]

Sec. 75. 2009 Acts and Resolves No. 38, Sec. 3(5) is amended to read:

(5) Report to the ~~senate and house committees on education~~ Senate and House Committees on Education on or before January 15, 2011 regarding implementation of this section and in January of each subsequent year until implementation is complete. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 76. 2009 Acts and Resolves No. 43, Sec. 49 is amended to read:

Sec. 49. CLOSING OF CORRECTIONAL FACILITIES; APPROVAL

The ~~secretary of administration~~ Secretary of Administration shall not plan to close or significantly reduce operations at any correctional facility unless approval to proceed with such closing or reduction plans is granted by both the ~~joint committee on corrections oversight~~ Joint Committee on Corrections Oversight and the ~~joint fiscal committee~~ Joint Fiscal Committee. Any plan submitted to the committees shall include an analysis of the regional impact, including how the increased transportation costs will be funded. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 77. 2009 Acts and Resolves No. 44, Sec. 44(b) is amended to read:

(b) On or before January 15 of each year through January 2020, the ~~commissioner~~ Commissioner shall report to the ~~senate and house committees on education~~ Senate and House Committees on Education regarding the ~~state's~~ State's progress in achieving the goal of a 100 percent secondary school completion rate. At the time of the report, the ~~commissioner~~ Commissioner shall also recommend other initiatives, if any, to improve both graduation rates and secondary school success for all Vermont students. The provisions of

2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 78. 2009 Acts and Resolves No. 58, Sec. 25(b) is amended to read:

(b) The committee shall include recommendations on the issues described in subsection (a) of this section in its annual report to the ~~general assembly~~ General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

Sec. 79. 2010 Acts and Resolves No. 154, Sec. 235b is amended to read:

Sec. 235b. WEIGHTED CASELOAD STUDY

The ~~court administrator~~ Court Administrator shall conduct a weighted caseload study and analysis or equivalent study within the ~~superior court and judicial bureau~~ Superior Court and Judicial Bureau every three years. The results of the study shall be reported to the ~~senate and house committees on judiciary and government operations~~ Senate and House Committees on Judiciary and on Government Operations. The study may be used to review and consider adjustments to the compensation of ~~probate~~ Probate judges. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

* * * Report Requirements Repealed * * *

Sec. 80. 1 V.S.A. § 853(d)(7) is amended to read:

(7) ~~The commission shall provide a detailed written report of its findings and conclusions to the applicant and the legislative committees along with a recommendation that the general assembly recognize or deny recognition to the applicant as a Native American Indian tribe. [Repealed.]~~

Sec. 81. 2 V.S.A. § 951(d) is amended to read:

(d) ~~The Vermont directors of the association shall report to the general assembly on or before January 1 of each year with a summary of the activities of the association, and any findings and recommendations for making prescription drugs more affordable and accessible to Vermonters. [Repealed.]~~

Sec. 82. 3 V.S.A. § 2807(d) is amended to read:

(d) ~~Report. Every year, by January 15, the commissioner shall report to the house and senate committees on natural resources and energy on the sources of the fund, and on fund balances and expenditures from the fund. [Repealed.]~~

Sec. 83. 6 V.S.A. § 981 is amended to read:

§ 981. ADOPTION OF COMPACT

* * *

ARTICLE IV

The Insurance Fund, Internal Operations and Management

* * *

(g) The insurance fund may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, or corporation, and may receive, utilize, and dispose of the same. ~~Any donation, gift, or grant accepted by the governing board pursuant to this subsection or services borrowed pursuant to subsection (h) of this article shall be reported in the annual report of the insurance fund. Such report shall include the nature, amount, and conditions, if any, of the donation, gift, grant, or services borrowed and the identity of the donor or lender.~~

(h) The governing board shall adopt bylaws for the conduct of the business of the insurance fund and shall have the power to amend and to rescind these bylaws. The insurance fund shall publish its bylaws in a convenient form and shall file a copy thereof and a copy of any amendment thereto with the appropriate agency or officer in each of the party states.

(i) ~~The insurance fund annually shall make to the governor and legislature of each party state a report covering its activities for the preceding year.~~ The insurance fund may make such additional reports to the governor and legislature of party states as it may deem desirable.

* * *

Sec. 84. 9A V.S.A. § 9-527 is amended to read:

§ 9-527. DUTY TO REPORT

~~The secretary of state shall report biannually to the legislature on the operation of the filing office. The report must contain a statement of the extent to which:~~

~~(1) the filing office rules are not in harmony with the rules of filing offices in other jurisdictions that enact substantially this part and the reasons for these variations; and~~

~~(2) the filing office rules are not in harmony with the most recent version of the model rules promulgated by the International Association of Corporate Administrators, or any successor organization, and the reasons for these variations. [Repealed.]~~

Sec. 85. [Deleted.]

Sec. 86. 10 V.S.A. § 707 is amended to read:

~~§ 707. EXPENDITURES; STATEMENT BY COUNCIL~~

~~The council, on or before September 1 in each even numbered year shall file with the commissioner of budget and management, upon forms prepared and furnished by the commissioner of budget and management, statements showing in detail the amount appropriated and expended for the current biennial fiscal periods and the amount estimated for such activity to be necessary for the ensuing biennial fiscal periods. [Repealed.]~~

Sec. 87. 10 V.S.A. § 1264(f)(3) is amended to read:

(3) By January 15, 2010, the Secretary shall issue a watershed improvement permit, issue a general or individual permit implementing a TMDL approved by the EPA, or issue a general or individual permit implementing a water quality remediation plan for each of the stormwater-impaired waters on the Vermont Year 2004 Section 303(d) List of Waters required by 33 U.S.C. 1313(d). In developing a TMDL or a water quality remediation plan for a stormwater-impaired water, the Secretary shall consult “A Scientifically Based Assessment and Adaptive Management Approach to Stormwater Management” and “Areas of Agreement about the Scientific Underpinnings of the Water Resources Board’s Original Seven Questions” set out in appendices A and B, respectively, of the final report of the Water Resources Board’s “Investigation Into Developing Cleanup Plans For Stormwater Impaired Waters, Docket No. Inv-03-01,” issued March 9, 2004. ~~Beginning January 30, 2005 and until a watershed improvement permit, a general or individual permit implementing a TMDL, or a general or individual permit implementing a water quality remediation plan is set for each of the stormwater-impaired waters on the Vermont Year 2004 Section 303(d) List of Waters required by 33 U.S.C. § 1313(d), the Secretary shall report annually to the General Assembly on Agency progress in establishing the watershed improvement permits, TMDLs, and water quality remediation plans for the stormwater-impaired waters of the State; on the accuracy of assessment and environmental efficacy of any stormwater impact fee paid to the State Stormwater Impaired Waters Restoration Fund; and on the efforts by the Secretary to educate and inform owners of real estate in watersheds of stormwater-impaired waters regarding the requirements of the state stormwater law.~~

Sec. 88. 10 V.S.A. § 1283(e) is amended to read:

~~(e) The secretary shall report annually to the general assembly on the condition of the fund. The report shall include a listing of any incident leading to disbursements, the amount disbursed, and the method and amount of reimbursement. [Repealed.]~~

Sec. 89. 10 V.S.A. § 1455(1)(2) is amended to read:

~~(2) On an annual basis, the secretary of agriculture, food and markets shall notify the secretary of the location of all authorized mosquito control applications to the waters of the state that took place during the reporting year and the type and quantity of larvicide and pupacide used at each location. [Repealed.]~~

Sec. 90. [Deleted.]

Sec. 91. [Deleted.]

Sec. 92. 18 V.S.A. § 1755(b) is amended to read:

(b) Annually, the ~~commissioner~~ Commissioner shall determine the percentage of children six years of age or younger who are being screened in accordance with the guidelines and shall, ~~unless a final report is available, provide interim information on screening to the legislature annually on April 15.~~ If fewer than 85 percent of one-year-olds and fewer than 75 percent of two-year-olds as specified in the guidelines are receiving screening, the secretary Secretary shall adopt rules to require that all health care providers who provide primary medical care to young children shall ensure that their patients are screened and tested according to the guidelines, beginning January 1, 2011.

Sec. 93. 20 V.S.A. § 1946 is amended to read:

§ 1946. **REPORT FROM COMMISSIONER**

~~The commissioner of public safety shall report annually no later than January 15 to the senate and house committees on judiciary regarding the administration of the DNA data bank, any backlogs in processing samples, and staffing and funding issues related to any backlog. [Repealed.]~~

Sec. 94. 24 V.S.A. § 4760(b) is amended to read:

(b) ~~Annually, the secretary and the bond bank shall notify the chairpersons of the house committee on appropriations and the senate committee on appropriations of the amount of each of the separate funds created under section 4753 of this title anticipated to be available for the next fiscal year. [Repealed.]~~

Sec. 95. 24 V.S.A. § 4774(b) is amended to read:

(b) ~~Annually by January 15, the secretary and VEDA shall submit a report to members of the joint fiscal committee setting out the balance of the fund created by subdivision 4753(a)(3) of this title, loan awards made to date, funds anticipated to be made available in the coming year and any other matters of interest. [Repealed.]~~

Sec. 96. 29 V.S.A. § 903(e)(3) is amended to read:

~~(3) The Secretary of Administration will report to the General Assembly, on February 1 each year, equipment purchased through this Fund, plans for equipment purchased through the Fund for the following fiscal year, the status of the Fund, and a consolidated amortization schedule. [Repealed.]~~

Sec. 97. 32 V.S.A. § 308b is amended to read:

§ 308b. HUMAN SERVICES CASELOAD RESERVE

(a) There is created within the General Fund a Human Services Caseload Management Reserve. Expenditures from the Reserve shall be subject to an appropriation by the General Assembly or approval by the Emergency Board. Expenditures from the Reserve shall be limited to Agency of Human Services caseload-related needs primarily in the Departments for Children and Families; of Health; of Mental Health; of Disabilities, Aging, and Independent Living; and of Vermont Health Access.

(b) The Secretary of Administration may transfer to the Human Services Caseload Reserve any General Fund carry-forward directly attributable to Aid to Needy Families with Children (ANFC) caseload reductions and the effective management of related federal receipts. ~~A report on the transfer of any such carry forward to the Reserve shall be made to the Joint Fiscal Committee at its first meeting following September 1 of each year.~~

(c) [Repealed.]

Sec. 98. 33 V.S.A. § 1901(e) is amended to read:

~~(e)(1) The Department for Children and Families and the Department of Vermont Health Access shall monitor and evaluate and report quarterly beginning July 1, 2006 on the disenrollment in each of the Medicaid or Medicaid-waiver programs subject to premiums, including:~~

~~(A) The number of beneficiaries receiving termination notices for failure to pay premiums;~~

~~(B) The number of beneficiaries terminated from coverage as a result of failure to pay premiums as of the second business day of the month following the termination notice. The number of beneficiaries terminated from coverage for nonpayment of premiums shall be reported by program and income level within each program; and~~

~~(C) The number of beneficiaries terminated from coverage as a result of failure to pay premiums whose coverage is not restored three months after the termination notice.~~

~~(2) The Department for Children and Families and the Department of Vermont Health Access shall submit reports at the end of each quarter required by subdivision (1) of this subsection to the House and Senate Committees on Appropriations, the Senate Committee on health and welfare, the house Committee on Human Services, the Health Care Oversight Committee, and the Medicaid Advisory Board. [Repealed.]~~

Sec. 98a. 33 V.S.A. § 1998(c)(6) is amended to read:

~~(6) The Commissioners and the Secretary shall report quarterly to the Health Care Oversight Committee and the Joint Fiscal Committee on their progress in securing Vermont's participation in such joint purchasing agreements. [Repealed.]~~

Sec. 99. 33 V.S.A. § 2003(i) is amended to read:

~~(i) Annually, the Department of Vermont Health Access shall report the enrollment and financial status of the pharmacy discount plans to the Health Care Oversight Committee by September 1, and to the General Assembly by January 1. [Repealed.]~~

Sec. 100. 33 V.S.A. § 3308 is amended to read:

§ 3308. ANNUAL REPORT

~~Annually, prior to January 15, the council shall submit a report of its activities for the preceding fiscal year to the governor and to the general assembly. The report shall contain an evaluation of the effectiveness of the programs and services financed or to be financed by the children's trust fund, and shall include an assessment of the impact of such programs and services on children and families. [Repealed.]~~

Sec. 101. 33 V.S.A. § 3703 is amended to read:

§ 3703. REPORT

~~Annually on or before January 15 of each year, the secretary of the agency of human services shall report to the general assembly on the status of parent-child center programs. The report shall include information concerning the following areas:~~

- ~~(1) actual disbursements;~~
- ~~(2) number of facilities and programs provided;~~
- ~~(3) number of families served;~~
- ~~(4) the impact of the monies relative to the continued success of each program;~~
- ~~(5) identification of other funding sources. [Repealed.]~~

Sec. 102. 33 V.S.A. § 4904(d) is amended to read:

~~(d) The Commissioner shall establish a method for measuring, evaluating, and reporting the outcomes of transitional services provided under this section to the House Committee on Human Services and the Senate Committee on Health and Welfare annually on January 15. [Repealed.]~~

Sec. 103. 33 V.S.A. § 6508 is amended to read:

§ 6508. ~~REPORT REQUIRED~~

~~On or before January 15 of each year up to and including 1992, the Department of Disabilities, Aging, and Independent Living shall evaluate the effect of this chapter and report its findings to the chairpersons of the Senate and House Committees on Health and Welfare. At a minimum, the report shall address the following: inquiries or complaints received by the Department of Disabilities, Aging, and Independent Living concerning physician balance billing practices, changes in actual billing of Medicare beneficiaries for physician services, issues relating to access to physician services for beneficiaries, and any other information necessary to enable the committees to assess the effect of this chapter on physicians and beneficiaries. In compiling its report, the Department of Disabilities, Aging, and Independent Living shall consult with the Secretary of State, the carrier for Medicare physician services for Vermont, and the professional societies of professions affected by this chapter. [Repealed.]~~

Sec. 103a. 2003 Acts and Resolves No. 66, Sec. 217d(b) is amended to read:

~~(b) On or before January 15, 2004 and by January 15 each year thereafter, the commissioner of fish and wildlife shall report to the general assembly on: the development of management plans for wildlife management areas; the status of implementation of wildlife habitat enhancement and maintenance projects on fish and wildlife lands; the schedule for maintenance and habitat treatments on wildlife management areas; and the status of protected areas and ecologically sensitive areas on wildlife management areas. [Repealed.]~~

Sec. 104. 2005 Acts and Resolves No. 56, Sec. 1(g), as amended by 2007 Acts and Resolves No. 65, Sec. 112a is amended to read:

(g)(1) Any savings realized due to the implementation of the long-term care Medicaid 1115 waiver shall be retained by the department and reinvested into providing home- and community-based services under the waiver. If at any time the agency reapplies for a Medicaid waiver to provide these services, it shall include a provision in the waiver that any savings shall be reinvested.

~~(2) In its annual budget presentation, the department of disabilities, aging, and independent living shall include the amount of savings generated~~

~~from individuals receiving home and community-based care services instead of services in a nursing home through the Choices for Care waiver and a plan with details on the recommended use of the appropriation. The plan shall include the base appropriation; the method for determining savings; how the savings will be reinvested in home and community-based services, including the allocation between increases in caseloads and increases in provider reimbursements; and a breakdown of how many individuals are receiving services by type of service. [Repealed.]~~

Sec. 104a. 2009 Acts and Resolves No. 43, Sec. 31(f)(3) is amended to read:

~~(3) Outside the legislative session, the department of mental health shall provide quarterly updates to the joint fiscal committee and the mental health oversight committee on the progress toward completing the facility and developing the residential recovery program. [Repealed.]~~

And by renumbering the remaining sections to be numerically correct.

Sec. 105. 2004 Acts and Resolves No. 136, Sec. 6 is amended to read:

Sec. 6. REPORT

~~Annually, on or before January 15, the commissioner of fish and wildlife shall report to the house committee on fish, wildlife and water resources and the senate committee on natural resources and energy on the effects of the fish and wildlife board's management of the deer herd pursuant to this act. At a minimum, the commissioner shall address the impacts on:~~

- ~~(1) the size of the deer population;~~
- ~~(2) the health of the deer population;~~
- ~~(3) the ratio of males to females;~~
- ~~(4) the age distribution;~~
- ~~(5) the advisability of redefining wildlife management district boundaries;~~
- ~~(6) the satisfaction of the hunting community; and~~
- ~~(7) the number of hunters choosing to hunt in specific wildlife management units. [Repealed.]~~

Sec. 105a. 2006 Acts and Resolves No. 132, Sec. 3 is amended to read:

Sec. 3. SECRETARY OF ADMINISTRATION REPORT

~~The secretary of administration shall submit an annual report to the house and senate committees on government operations on January 15. The report shall include a list of the written public records requests received for the prior~~

~~calendar year for each state agency; the number of records delivered or withheld by each state agency; the number of records that could not be located by each state agency; and the agency time needed to respond to each request. [Repealed.]~~

Sec. 106. 2007 Acts and Resolves No. 15, Sec. 23 is amended to read:

Sec. 23. **REPORT**

~~On or before January 15, 2008, and on January 15 of every even-numbered year thereafter, the secretary of human services, the commissioner of health, and the commissioner of mental health shall jointly report to the general assembly. The report shall describe the relationship between the commissioner of health and commissioner of mental health and shall evaluate how effectively they and their respective departments cooperate and how effectively the departments have complied with the intent of this act. The report shall address prevention, early intervention, and chronic care health services for children and adults, coordination of mental health, substance abuse, and physical health services, and coordination with all parts of the health care delivery system, public and private, including the office of Vermont health access, the office of alcohol and drug abuse, and primary care physicians. [Repealed.]~~

Sec. 107. 2008 Acts and Resolves No. 200, Sec. 10 is amended to read:

Sec. 10. **UNIVERSITY OF VERMONT**

~~The sum of \$1,600,000 is appropriated to the University of Vermont for construction, renovation, or maintenance projects. The university shall file with the general assembly on or before January 15 an annual report that details the status of capital projects funded in whole or in part by state capital appropriations, including an explanation of the process for bidding for contractors or subcontractors where the amount of the contract or subcontract exceeds \$50,000.~~

Total appropriation—Section 10	\$1,600,000
---	------------------------

~~[Repealed.]~~

Sec. 108. 2008 Acts and Resolves No. 200, Sec. 11 is amended to read:

Sec. 11. **VERMONT STATE COLLEGES**

~~The sum of \$1,600,000 is appropriated to the Vermont State Colleges for major facility maintenance. The state colleges shall file with the general assembly on or before January 15 an annual report that details the status of capital projects funded in whole or in part by state capital appropriations, including an explanation of the process for bidding for contractors or~~

~~subcontractors where the amount of the contract or subcontract exceeds \$50,000.~~

Total appropriation—Section 11 \$1,600,000

[Repealed.]

Sec. 109. 2010 Acts and Resolves No. 119, Sec. 10(c) is amended to read:

~~(c) No later than March 15 of each year, the agency of human services shall provide an update to the house committee on human services and the senate committee on health and welfare regarding the status of efforts to secure funding for the evaluation authorized by Sec. 11 of this act and the issuance of a request for proposals to conduct the evaluation. [Repealed.]~~

Sec. 110. 2010 Acts and Resolves No. 128, Sec. 14(e) is amended to read:

~~(e) If the pilot projects are approved by the general assembly, the director of payment reform shall report annually by January 15 beginning in 2012 on the status of implementation of the pilot projects for the prior calendar year, including any analysis or evaluation of the effectiveness of the pilot projects, and shall provide the report to the house committee on health care, the senate committee on health and welfare, the health access oversight committee, and the commission on health care reform. [Repealed.]~~

Sec. 111. 2011 Acts and Resolves No. 59, Sec. 13(c) is amended to read:

~~(c) On or before January 15, 2012, and annually thereafter, the secretary of administration shall submit to the senate and house committees on government operations a copy of the records requests catalogued in the public records request system in the preceding calendar year. [Repealed.]~~

Sec. 112. REPORT REPEAL DELAYED

The reports set forth in this section shall not be subject to expiration under the provisions of 2 V.S.A. § 20(d) (expiration of required reports) until July 1, 2018:

(1) 2 V.S.A. § 752(c) (annual budget for expenditures for legislative information technology and services).

(2) 6 V.S.A. §§ 2937 (Vermont Milk Commission report), 2972(b) (Vermont Dairy Promotion Council report), 4701(d) (sustainable agriculture research and education program report), 4710(f) (Vermont farm viability enhancement program report), and 4825 (financial and technical assistance for agricultural water quality report).

(3) 7 V.S.A. § 109 (Liquor Control Board audit report).

(4) 10 V.S.A. §§ 291 (Entrepreneurs' seed capital fund report), 323 (Vermont Housing And Conservation Trust Fund report), 329 (The Sustainable Jobs Fund Program report), 580(b) (25 by 25 state goal report), 685(g) (Vermont Community Development Board report), 1196 (Connecticut River Watershed Advisory Commission report), 1942 (Underground Storage Tank Assistance Program report), 1961(a)(4) (Vermont Citizens Advisory Committee on Lake Champlain's Future report), and 7563 (ANR report on federal laws relating to collection and recycling of electronic devices).

(5) 13 V.S.A. § 5415(b) (DPS report on special investigation units).

(6) 18 V.S.A. §§ 1756 (lead poisoning report), 7402 (Commissioner of Mental Health report), 8725(d) (System of Care Plan report), 9505 (Vermont Tobacco Evaluation and Review Board conflict of interest policy report), and 9507(a) (Vermont Tobacco Evaluation and Review Board report).

(7) 28 V.S.A. § 701a(c) (report on segregation of inmates with a serious functional impairment).

(8) 30 V.S.A. §§ 20(a)(2)(C) (report on ANR costs under 30 V.S.A. § 248), 20(b)(9) (report on agency costs related to proceedings at FERC), 209(j)(4)(G) (self-managed energy efficiency program report), and 8071(a) (Vermont Telecommunications Authority fiscal report).

(9) 31 V.S.A. § 659 (State Lottery Commission Report).

(10) 32 V.S.A. §§ 588(6) (special fund report), 5930a(j) (economic advancement tax incentive report), and 5930b(e) (employment growth incentives report).

(11) 33 V.S.A. §§ 1134 (Reach First, Reach Up, and Reach Ahead program reports), 1901a (Medicaid budget report), 1901e(c) (managed care organization's investment report), 4923 (child abuse report), and 7503 (long-term care report).

(12) 1998 Acts and Resolves No. 114, Secs. 5 and 6 (involuntary medication report); 2004 Acts and Resolves No. 122, Sec. 136 (weatherization fund report); 2007 Acts and Resolves No. 43, Sec. 4(a) (report on Lake Champlain TMDL plan); 2008 Acts and Resolves No. 90, Sec. 86(a)(4) (Job Start loan portfolio report); 2008 Acts and Resolves No. 192, Sec. 5.221(b) (weatherization fund report); 2009 Acts and Resolves No. 25, Sec. 18(b) (Palliative Care and Pain Management Task Force report); 2009 Acts and Resolves Special Session No. 1, Sec. E.326(b); 2010 Acts and Resolves No. 87, Sec. 1(b) (weatherization fund report); 2010 Acts and Resolves No. 120, Sec. 5 (mentored hunting program report); and 2010 Acts and Resolves No. 146, Sec. H4 (Challenges for Change report).

* * * Reports Not Listed Herein * * *

Sec. 113. REPORTS NOT INCLUDED IN THIS ACT

On or before January 15, 2015, the Office of Legislative Council shall provide to the General Assembly a list of all statutory sections not listed in this act that contain a report subject to the repeal provisions of 2 V.S.A. § 20(d). On July 1, 2016, Legislative Council shall, pursuant to its statutory revision authority, delete the report requirements contained in this list.

* * * Effective Date * * *

Sec. 114. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 790.

Senator Ayer, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to Reach Up eligibility.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

(a) Financial assistance shall be given for the benefit of a dependent child to the relative or caretaker with whom the child is living unless otherwise provided. The amount of financial assistance to which an eligible person is entitled shall be determined with due regard to the income, resources, and maintenance available to that person and, as far as funds are available, shall provide that person a reasonable subsistence compatible with decency and health. The Commissioner may fix by regulation maximum amounts of financial assistance, and act to ~~insure~~ ensure that the expenditures for the programs shall not exceed appropriations for them consistent with section 101 of this title. In no case may the Department expend State funds in excess of the appropriations for the programs under this chapter.

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

(1) No less than the first ~~\$200.00~~ \$300.00 per month of earnings from an unsubsidized job and ~~25~~ 50 percent of the remaining unsubsidized earnings shall be disregarded in determining the amount of the family's financial assistance grant. The family shall receive the difference between countable income and the Reach Up payment standard in a partial financial assistance grant.

* * *

(5) The value of assets accumulated from the earnings of adults and children in participating families and from any federal or Vermont earned income tax credit shall be excluded for purposes of determining continuing eligibility for the Reach Up program. The asset limitation shall be ~~increased from \$1,000.00 to \$2,000.00~~ \$5,000.00 for participating families for the purposes of determining continuing eligibility for the Reach Up program.

* * *

Sec. 2. 33 V.S.A. § 1107(a) is amended to read:

(a)(1) The Commissioner shall provide all Reach Up services to participating families through a case management model informed by knowledge of the family's home, community, employment, and available resources. Services may be delivered in the district office, the family's home, or community in a way that facilitates progress toward accomplishment of the family development plan. Case management may be provided to other eligible families. The case manager, with the full involvement of the family, shall recommend, and the Commissioner shall modify as necessary a family development plan established under the Reach First or Reach Up program for each participating family, with a right of appeal as provided by section 1132 of this title. A case manager shall be assigned to each participating family as soon as the family begins to receive financial assistance. If administratively feasible and appropriate, the case manager shall be the same case manager the family was assigned in the Reach First program. The applicant for or recipient of financial assistance, under this chapter, shall have the burden of demonstrating the existence of his or her condition.

(2) In addition to the services provided pursuant to subsection (b) of this section, the Commissioner shall provide for a mandatory case review for each participating family with a program director or the program director's designee

when the family reaches 18 and 36 months of enrollment, respectively, in the Reach Up program to assess whether the participating family:

(A) is in compliance with a family development plan or work requirement;

(B) is properly claiming a deferment, if applicable; ~~and~~

(C) has any unaddressed barriers to self-sufficiency and, if so, how those barriers may be better addressed by the Department for Children and Families or other State programs; and

(D) has additional opportunities to achieve earned income through the program without a corresponding loss of benefits.

(3) The case manager shall meet with each participating family following any statutory or rule changes affecting the amount of the earned income disregard, asset limitations, or other eligibility or benefit criteria in the Reach Up program to inform the family of the changes and advise the family about ways to maximize the opportunities to achieve earned income without a corresponding loss of benefits.

Sec. 3. 33 V.S.A. § 1204 is amended to read:

§ 1204. FOOD ASSISTANCE

(a) An eligible family shall receive monthly food assistance equal to ~~\$100.00~~ \$50.00 to be applied to the family's electronic benefit transfer (EBT) food account ~~for the first six months after the family has become eligible for Reach Ahead. For the seventh through 12th months, the family shall receive a monthly food assistance of \$50.00~~ while the family is eligible for the 12-month Reach Ahead program.

* * *

Sec. 4. REACH AHEAD; GRANDFATHER PROVISION

Notwithstanding 33 V.S.A. § 1204(a), any family within the first six months of its participation in the Reach Ahead program on October 1, 2014 shall continue to receive monthly food assistance equal to \$100.00 until its seventh month of participation in the program, at which time it shall receive monthly food assistance equal to \$50.00.

Sec. 5. RULEMAKING; OFFSET FOR EARNED INCOME DISREGARD

(a) In order to effect the increased earned income disregard established by this act and to make its impact fiscally neutral, the Commissioner for Children and Families shall amend the rules governing the Reach Up program pursuant to 3 V.S.A. chapter 25 to direct the Department to:

(1) calculate an annual adjustment to Reach Up grants, excluding exempt grants, that accounts for the difference between an earned income disregard of the first \$200.00 earned per month from an unsubsidized job in addition to 25 percent of the remaining unsubsidized earnings and the first \$300.00 earned per month from an unsubsidized job in addition to 50 percent of the remaining unsubsidized earnings, that:

(A) shall first be adjusted downward based on any projected program cost reduction associated with caseload estimates below the level appropriated for fiscal year 2015; and

(B) may be further adjusted downward based on appropriated resources and projected program costs; and

(2) apply the adjustment described in subdivision (1) of this subsection to all Reach Up grants, excluding exempt grants, after need and benefit determinations are calculated.

(b) As used in this section, “exempt grants” means grants to children in the care of a person other than their parents and grants to participating families when a single parent or both parents receive Supplemental Security Income.

Sec. 6. BUDGET PRESENTATION

The Department for Children and Families shall include as part of its fiscal year 2016 budget presentation to the General Assembly a preliminary estimate of the annual adjustment calculated pursuant to Sec. 5(a)(1) of this act and the projected program cost reduction associated with caseload estimates below the level appropriated for fiscal year 2015.

Sec. 7. EFFECTIVE DATES

(a) Except for Secs. 1 and 3, this act shall take effect on July 1, 2014.

(b) Except for Sec. 1(c)(1), Secs. 1 and 3 shall take effect on October 1, 2014.

(c) Sec. 1(c)(1) shall take effect on July 1, 2015.

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

An act relating to Reach Up eligibility and benefit levels.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Kitchel, for the Committee on Appropriations, moved to substitute a proposal of amendment for the proposal of amendment of the Committee on Appropriations as follows:

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

* * * Reach Up Asset Limit and Earned Income Counseling * * *

Sec. 1. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

(a) Financial assistance shall be given for the benefit of a dependent child to the relative or caretaker with whom the child is living unless otherwise provided. The amount of financial assistance to which an eligible person is entitled shall be determined with due regard to the income, resources, and maintenance available to that person and, as far as funds are available, shall provide that person a reasonable subsistence compatible with decency and health. The Commissioner may fix by regulation maximum amounts of financial assistance, and act to ~~insure~~ ensure that the expenditures for the programs shall not exceed appropriations for them consistent with section 101 of this title. In no case may the Department expend State funds in excess of the appropriations for the programs under this chapter.

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(5) The value of assets accumulated from the earnings of adults and children in participating families and from any federal or Vermont earned income tax credit shall be excluded for purposes of determining continuing eligibility for the Reach Up program. The asset limitation shall be ~~increased from \$1,000.00 to \$2,000.00~~ \$5,000.00 for participating families for the purposes of determining continuing eligibility for the Reach Up program.

* * *

Sec. 2. 33 V.S.A. § 1107(a) is amended to read:

(a)(1) The Commissioner shall provide all Reach Up services to participating families through a case management model informed by knowledge of the family's home, community, employment, and available resources. Services may be delivered in the district office, the family's home, or community in a way that facilitates progress toward accomplishment of the family development plan. Case management may be provided to other eligible families. The case manager, with the full involvement of the family, shall recommend, and the Commissioner shall modify as necessary a family

development plan established under the Reach First or Reach Up program for each participating family, with a right of appeal as provided by section 1132 of this title. A case manager shall be assigned to each participating family as soon as the family begins to receive financial assistance. If administratively feasible and appropriate, the case manager shall be the same case manager the family was assigned in the Reach First program. The applicant for or recipient of financial assistance, under this chapter, shall have the burden of demonstrating the existence of his or her condition.

(2) In addition to the services provided pursuant to subsection (b) of this section, the Commissioner shall provide for a mandatory case review for each participating family with a program director or the program director's designee when the family reaches 18 and 36 months of enrollment, respectively, in the Reach Up program to assess whether the participating family:

(A) is in compliance with a family development plan or work requirement;

(B) is properly claiming a deferment, if applicable; ~~and~~

(C) has any unaddressed barriers to self-sufficiency and, if so, how those barriers may be better addressed by the Department for Children and Families or other State programs; and

(D) has additional opportunities to achieve earned income through the program without a corresponding loss of benefits.

(3) The case manager shall meet with each participating family following any statutory or rule changes affecting the amount of the earned income disregard, asset limitations, or other eligibility or benefit criteria in the Reach Up program to inform the family of the changes and advise the family about ways to maximize the opportunities to achieve earned income without a corresponding loss of benefits.

* * * Enhanced Child Care Services Subsidy * * *

Sec. 3. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE SERVICES ~~PROGRAM~~ PROGRAMS;
ELIGIBILITY

(a)(1) A child care services program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment or to obtain training leading to employment. Families seeking employment shall not be entitled to participate in the program for a period in excess of one month, unless that period is extended by the Commissioner.

~~(b)(2)~~ (2) The subsidy authorized by this ~~section~~ subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the federal poverty guidelines nor more than 100 percent of the ~~state~~ State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment.

(b)(1) An enhanced child care services subsidy program is established for families participating in the Reach Ahead program.

(2) The enhanced child care services subsidy program established by this subsection shall be administered by the Department's Child Development Division. The Commissioner shall adopt rules necessary for the administration of the program pursuant to 3 V.S.A. chapter 25.

(3) The subsidy authorized by this subsection shall be no greater than 100 percent of the subsidy provided in subsection (a) of this section.

(4) A participating family shall remain eligible for the enhanced child care services subsidy program between 12 and 24 months as long as one or more dependent children of a working parent or parents are receiving child care services. The Commissioner for Children and Families may extend the subsidy beyond 24 months if the Commissioners for Children and Families and of Finance and Management determine jointly that an extension can be accommodated within appropriated resources.

(5) The enhanced child care services subsidy program shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the program, the program shall be suspended or modified.

Sec. 4. INTERIM REPORT

The Department for Children and Families shall submit a written report to the Health Care Oversight Committee on or before November 1, 2014 regarding the estimated cost of the enhanced child care services subsidy program and projected caseload reduction savings in the Reach Up program.

Sec. 5. BUDGET PRESENTATION

The Department for Children and Families shall include as part of its fiscal year 2016 budget presentation to the General Assembly a preliminary estimate of the projected Reach Up program cost reduction associated with caseload estimates below the level appropriated for fiscal year 2015, as well as the

parameters and cost projections for the enhanced child care services subsidy established pursuant to 33 V.S.A. § 3512(b).

* * * Asset Limit and Child Care Services Subsidy Offset * * *

Sec. 6. 33 V.S.A. § 1204 is amended to read:

§ 1204. FOOD ASSISTANCE

(a)(1) An eligible family shall receive monthly food assistance equal to ~~\$100.00~~ \$50.00 to be applied to the family's electronic benefit transfer (EBT) food account for the first ~~six~~ 12 months after the family has become eligible for Reach Ahead.

(2) For the ~~seventh~~ 12th through ~~12th~~ 24th months, the family shall receive a monthly food assistance of ~~\$50.00~~ \$25.00.

* * *

(d) The 12th through the 24th months of assistance shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the 12th through the 24th months of assistance, the assistance shall be suspended or modified.

Sec. 7. 33 V.S.A. § 1205 is amended to read:

§ 1205. REQUIRED SERVICES TO PARTICIPATING FAMILIES

(a) The Commissioner shall provide participating families Reach Ahead services, case management services if necessary, and referral to any agencies or programs, including workforce development, that provide the services needed by participating families to improve the family's prospects for employment retention. Reach Ahead services shall be provided for ~~12~~ 24 months.

(b) A participating family shall be eligible for an enhanced child care services subsidy during its 12th through 24th month on the Reach Ahead program pursuant to subsection 3512(b) of this title.

Sec. 8. REACH AHEAD; GRANDFATHER PROVISION

Notwithstanding 33 V.S.A. § 1204(a), any family within the first six months of its participation in the Reach Ahead program on January 1, 2015 shall continue to receive monthly food assistance equal to \$100.00 until its seventh month of participation in the program, at which time it shall receive monthly food assistance equal to \$50.00 for the remainder of the initial 12-month period.

* * * Effective Dates * * *

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that:

(1) Secs. 1, 6(a)(1), and 8 shall take effect on January 1, 2015; and

(2) Secs. 3, 6(a)(2) and (d), and 7 shall take effect on July 1, 2015.

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

An act relating to Reach Up eligibility and benefit levels.

And that the bill ought to pass in concurrence with such proposal of amendment.

Which was agreed to.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Health and Welfare, as amended, was agreed to and third reading of the bill was ordered.

Committees of Conference Appointed

S. 234.

An act relating to Medicaid coverage for home telemonitoring services.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Pollina
Senator Lyons
Senator Ayer

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

S. 241.

An act relating to binding arbitration for State employees.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Baruth
Senator Cummings
Senator Doyle

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 297.

An act relating to duties and functions of the Department of Public Service.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Bray
Senator Ashe
Senator French

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 735.

An act relating to Executive Branch and Judiciary fees.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator MacDonald
Senator Bray
Senator French

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 884.

An act relating to miscellaneous tax changes.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Ashe
Senator MacDonald
Senator Mullin

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bills Messaged

On motion of Senator Campbell, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 234, S. 241, H. 297, H. 735, H. 884.

Senate Concurrent Resolution

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By All Members of the Senate,

S.C.R. 56.

Senate concurrent resolution designating May 11–17 as Women’s Lung Health Week in Vermont.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Representatives Masland and Hoyt,

H.C.R. 341.

House concurrent resolution congratulating Marc Chabot on winning State and national teaching awards.

By Representative Cupoli and others,

By Senators Flory, French and Mullin,

H.C.R. 342.

House concurrent resolution honoring Ron Hance for his leadership of the Heritage Family Credit Union.

By Representative Martin and others,

By Senators Campbell, McCormack and Nitka,

H.C.R. 343.

House concurrent resolution honoring Betty Kinsman for her pioneering leadership of the Springfield Area Parent Child Center.

By Representatives Young and Strong,

H.C.R. 344.

House concurrent resolution honoring Francis Whitcomb of Albany as an extraordinary citizen, educator, and as Vermont’s active community member of the year.

By Representative Moran and others,

By Senator White,

H.C.R. 345.

House concurrent resolution congratulating 10th grade composer Susalina Francy on the Vermont Symphony Orchestra's premier of *Beowulf's Last Battle*.

By All Members of the House,

H.C.R. 346.

House concurrent resolution designating April 29, 2014 as Alzheimer's Awareness Day in Vermont.

By Representative Partridge and others,

By All Members of the Senate,

H.C.R. 347.

House concurrent resolution congratulating Lisa Bianconi on being selected as a Grammy Music Educator Award finalist.

By Representative Quimby and others,

H.C.R. 348.

House concurrent resolution congratulating the 2013 St. Johnsbury All-Star Babe Ruth 14 and Under Vermont championship baseball team.

By Representative Lenex and others,

H.C.R. 349.

House concurrent resolution honoring Prevention Works! VT.

By Representative Lippert and others,

H.C.R. 350.

House concurrent resolution celebrating the 25th anniversary of Outright Vermont.

By Representative Toleno and others,

H.C.R. 351.

House concurrent resolution honoring Bruce Corwin for his musical leadership of the Brattleboro American Legion Band.

By Representative Lenes and others,

By Senators Snelling, Lyons, Ashe, Baruth, Sirotkin and Zuckerman,

H.C.R. 352.

House concurrent resolution congratulating Champlain Valley Union High School on its golden anniversary.

By Representative Gallivan and others,

H.C.R. 353.

House concurrent resolution honoring Grace Worcester Greene of Berlin for inspiring children to read and discover their local public library.

By All Members of the House,

By All Members of the Senate,

H.C.R. 354.

House concurrent resolution congratulating the Vermont Arts Council on its 50th anniversary and designating 2015 as the Year of the Arts in Vermont.

By Representative Marcotte and others,

By Senators Benning, Kitchel, Rodgers and Starr,

H.C.R. 355.

House concurrent resolution congratulating Jacob Cady and David Gratton on their age group championships in the Elks Vermont and New England Hoop Shoots.

Adjournment

On motion of Senator Campbell, the Senate adjourned until nine o'clock and thirty minutes in the morning.

SATURDAY, MAY 3, 2014

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 9:00 A.M., the Senate was called to order by the Secretary.

Adjournment

The time of 9:15 A.M. having arrived and there being no quorum present, the Senate adjourned until 10:00 A.M., Monday, May 5, 2014.

MONDAY, MAY 5, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Message from the House No. 66

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 252. An act relating to financing for Green Mountain Care.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

Message from the House No. 67

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 341. House concurrent resolution congratulating Marc Chabot on winning State and national teaching awards.

H.C.R. 342. House concurrent resolution honoring Ron Hance for his leadership of the Heritage Family Credit Union.

H.C.R. 343. House concurrent resolution honoring Betty Kinsman for her pioneering leadership of the Springfield Area Parent Child Center.

H.C.R. 344. House concurrent resolution honoring Francis Whitcomb of Albany as an extraordinary citizen, educator, and as Vermont's active community member of the year.

H.C.R. 345. House concurrent resolution congratulating 10th grade composer Susalina Francy on the Vermont Symphony Orchestra's premier of *Beowulf's Last Battle*.

H.C.R. 346. House concurrent resolution designating April 29, 2014 as Alzheimer's Awareness Day in Vermont.

H.C.R. 347. House concurrent resolution congratulating Lisa Bianconi on being selected as a Grammy Music Educator Award finalist.

H.C.R. 348. House concurrent resolution congratulating the 2013 St. Johnsbury All-Star Babe Ruth 14 and Under Vermont championship baseball team.

H.C.R. 349. House concurrent resolution honoring Prevention Works! VT.

H.C.R. 350. House concurrent resolution celebrating the 25th anniversary of Outright Vermont.

H.C.R. 351. House concurrent resolution honoring Bruce Corwin for his musical leadership of the Brattleboro American Legion Band.

H.C.R. 352. House concurrent resolution congratulating Champlain Valley Union High School on its golden anniversary.

H.C.R. 353. House concurrent resolution honoring Grace Worcester Greene of Berlin for inspiring children to read and discover their local public library.

H.C.R. 354. House concurrent resolution congratulating the Vermont Arts Council on its 50th anniversary and designating 2015 as the Year of the Arts in Vermont.

H.C.R. 355. House concurrent resolution congratulating Jacob Cady and David Gratton on their age group championships in the Elks Vermont and New England Hoop Shoots.

In the adoption of which the concurrence of the Senate is requested.

The House has considered concurrent resolution originating in the Senate of the following title:

S.C.R. 56. Senate concurrent resolution designating May 11–17 as Women's Lung Health Week in Vermont.

And has adopted the same in concurrence.

Proposals of Amendment; Third Reading Ordered

H. 656.

Senator French, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to professions and occupations regulated by the Office of Professional Regulation.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 5, 26 V.S.A. § 1211 (definitions), in subsection (b) subdivision (4), after the words “directly authorized by the immediate family members”, by inserting the words or authorized person

Second: By striking out Sec. 11 (amending 26 V.S.A. § 2022 (definitions)) in its entirety and inserting in lieu thereof the following: [Deleted.]

Third: In Sec. 12, 26 V.S.A. § 2042a (pharmacy technicians; qualifications for registration), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) if required by rules adopted by the Board, be certified or eligible for certification by a national pharmacy technician certification authority; and

Fourth: By adding a new section to be numbered Sec. 25 to read as follows:

* * * Social Workers * * *

Sec. 25. 26 V.S.A. § 3205 is amended to read:

§ 3205. ELIGIBILITY

To be eligible for licensing as a clinical social worker, an applicant must have:

* * *

(3) ~~completed~~ Completed 3,000 hours of supervised practice of clinical social work as defined by rule under the supervision of a licensed physician or a licensed osteopathic physician who has completed a residency in psychiatry, a licensed psychologist, a licensed clinical mental health counselor, a person licensed or certified under this chapter, or a person licensed or certified in another state or Canada in one of these professions or their substantial equivalent. The supervisor must be licensed or certified in the jurisdiction where the supervised practice occurs. Persons engaged in post masters supervised practice in Vermont shall be entered on the roster of nonlicensed, noncertified psychotherapists;

* * *

Fifth: In Sec. 42 (amending 26 V.S.A. § 3319a (appraiser trainee registration)), by adding a new subsection to be subsection (d) to read as follows:

(d) Appraiser trainees registered with the Board as of July 1, 2013 and who continue on to satisfy the requirements specified by the AQB may become State licensed appraisers, notwithstanding the elimination of that license category.

Sixth: By adding a new section to be numbered Sec. 50a to read as follows:

* * * Motor Vehicle Racing * * *

Sec. 50a. 26 V.S.A. § 4811 is amended to read:

§ 4811. SAFETY STANDARDS

Minimum safety standards for the conduct of any race covered by this chapter are established as follows:

* * *

(3) Any driver shall have a legal operator's license. Any driver under the age of majority shall have the written consent of a parent or guardian. A person under 10 years of age shall not be allowed in the pit area.

* * *

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Hartwell, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

First: By striking out Sec. 7, 26 V.S.A. § 1256 (renewal of registration or license), in its entirety and inserting in lieu thereof the following: [Deleted.]

Second: By striking out Sec. 15, 26 V.S.A. § 2255 (fees), in its entirety and inserting in lieu thereof the following: [Deleted.]

Third: By striking out Sec. 22, 26 V.S.A. § 3010 (fees; licenses), in its entirety and inserting in lieu thereof the following: [Deleted.]

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee

on Government Operations was amended as recommended by the Committee on Finance.

Thereupon, the proposals of amendment recommended by the Committee on Government Operations, as amended, were agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 728.

Senator Pollina, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to developmental services' system of care.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 204A is amended to read:

CHAPTER 204A. DEVELOPMENTAL DISABILITIES ACT

* * *

§ 8722. DEFINITIONS

As used in this chapter:

* * *

(2) "Developmental disability" means a severe, chronic disability of a person that is manifested before the person reaches ~~the age of 18~~ years of age and results in:

(A) ~~mental retardation~~ intellectual disability, autism, or pervasive developmental disorder; and

(B) deficits in adaptive behavior at least two standard deviations below the mean for a normative comparison group.

* * *

§ 8723. DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; DUTIES

The ~~department~~ Department shall plan, coordinate, administer, monitor, and evaluate ~~state~~ State and federally funded services for people with developmental disabilities and their families within Vermont. The ~~department of disabilities, aging, and independent living~~ Department shall be responsible for coordinating the efforts of all agencies and services, government and

private, on a statewide basis in order to promote and improve the lives of individuals with developmental disabilities. Within the limits of available resources, the ~~department~~ Department shall:

(1) ~~Promote~~ promote the principles stated in section 8724 of this title and shall carry out all functions, powers, and duties required by this chapter by collaborating and consulting with people with developmental disabilities, their families, guardians, community resources, organizations, and people who provide services throughout the ~~state~~. State;

(2) ~~Develop and~~ develop, maintain, and monitor an equitably and efficiently allocated statewide system of community-based services that reflect the choices and needs of people with developmental disabilities and their families;

(3) ~~Acquire and~~ acquire, administer, and exercise fiscal oversight over funding for these community-based services and identify needed resources and legislation, including the management of State contracts;

(4) identify resources and legislation needed to maintain a statewide system of community-based services;

(5) ~~Establish~~ establish a statewide procedure for applying for services;

(5)(6) ~~Facilitate~~ facilitate or provide pre-service or in-service training and technical assistance to service providers consistent with the system of care plan;

(6)(7) ~~Provide quality assessment and quality improvement support for the services provided throughout the state.~~ maintain a statewide system of quality assessment and assurance for services provided to people with developmental disabilities and provide quality improvement support to ensure that the principles of service in section 8724 of this title are achieved;

(7)(8) ~~Encourage~~ encourage the establishment and development of locally administered and locally controlled nonprofit services for people with developmental disabilities based on the specific needs of individuals and their families;

(8)(9) ~~Promote~~ promote and facilitate participation by people with developmental disabilities and their families in activities and choices that affect their lives and in designing services that reflect their unique needs, strengths, and cultural values;

(9)(10) ~~Promote~~ promote positive images and public awareness of people with developmental disabilities and their families;

~~(10)~~(11) Certify ~~certify~~ services that are paid for by the ~~department~~.
Department; and

~~(11)~~(12) Establish ~~establish~~ a procedure for investigation and resolution of complaints regarding the availability, quality, and responsiveness of services provided throughout the ~~state~~ State.

* * *

§ 8725. SYSTEM OF CARE PLAN

(a) ~~No later than July 1, 1997, and every~~ Every three years ~~thereafter~~, the ~~department~~ Department shall adopt a plan for the nature, extent, allocation, and timing of services consistent with the principles of service set forth in section 8724 of this title that will be provided to people with developmental disabilities and their families. ~~Notwithstanding any other provision of law, it is not required that the plan be adopted pursuant to 3 V.S.A. chapter 25.~~ Each plan shall include the following categories, which shall be adopted by rule pursuant to 3 V.S.A. chapter 25:

(1) priorities for continuation of existing programs or development of new programs;

(2) criteria for receiving services or funding; ~~and~~

(3) type of services provided; and

(4) a process for evaluating and assessing the success of programs.

(b)(1) ~~Each plan shall be~~ The Commissioner shall determine plan priorities based upon:

(A) information obtained from people with developmental disabilities, their families, guardians, and people who provide the services ~~and shall include:~~

(B) a comprehensive needs assessment; that includes:

(i) demographic information about people with developmental disabilities;

(ii) information about existing services used by individuals and their families;

(iii) characteristics of unserved and ~~under served~~ underserved individuals and populations; and

(iv) the reasons for these gaps in service, and the varying community needs and resources.

~~(2) The commissioner shall determine the priorities of the plan based on funds available to the department~~ Once the plan priorities are determined, the Commissioner may consider funds available to the Department in allocating resources.

(c) No later than 60 days before adopting the proposed plan, the ~~commissioner~~ Commissioner shall submit the ~~proposed plan~~ it to the ~~advisory board~~ Advisory Board, established in section 8733 of this title, for advice and recommendations, except that the Commissioner shall submit those categories within the plan subject to 3 V.S.A. chapter 25 to the Advisory Board at least 30 days prior to filing the proposed plan in accordance with the Vermont Administrative Procedure Act. The Advisory Board shall provide the Commissioner with written comments on the proposed plan. It may also submit public comments pursuant to 3 V.S.A. chapter 25.

(d) The Commissioner may make annual revisions to the plan as deemed necessary in accordance with the process set forth in this section. The Commissioner shall submit any proposed revisions to the Advisory Board established in section 8733 of this title for comment within the time frame established by subsection (c) of this section.

~~(e) The department~~ Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the Department shall report annually to the governor ~~and the general assembly committees of jurisdiction regarding implementation of the plan and shall make annual revisions as needed, the extent to which the principles of service set forth in section 8724 of this title are achieved, and whether people with a developmental disability have any unmet service needs, including the number of people on waiting lists for developmental services.~~

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Cummings, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Health and Welfare with the following amendment thereto:

In Sec. 1, 18 V.S.A § 8725, subdivision (b)(2) by striking out “may” and inserting in lieu thereof shall

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Health and Welfare, as amended, was agreed to and third reading of the bill was ordered.

Bill Passed

S. 308.

Senate bill of the following title was read the third time and passed:

An act relating to regulating precious metal dealers.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 225.

House bill entitled:

An act relating to a statewide policy on the use of and training requirements for electronic control devices.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sears and Hartwell moved to amend the Senate proposal of amendment by in Sec. 1, 20 V.S.A. § 2367, by striking out subsection (g) in its entirety and inserting a new subsection (g) to read as follows:

(g) The Law Enforcement Advisory Board shall:

(1) study and make recommendations as to whether officers authorized to carry electronic control devices should be required to wear body cameras;

(2) establish a policy on the calibration and testing of electronic control devices;

(3) on or before January 15, 2015, report to the House and Senate Committees on Government Operations and on Judiciary concerning the recommendations and policy developed pursuant to subdivisions (1) and (2) of this subsection; and

(4) on or before April 15, 2015, ensure that all electronic control devices carried or used by law enforcement officers are in compliance with the policy established pursuant to subdivision (2) of this subsection.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 497.

House bill entitled:

An act relating to the open meeting law.

Was taken up.

Thereupon, pending third reading of the bill, Senator Cummings moved to amend the Senate proposal of amendment by in Sec. 3, 1 V.S.A. § 313, in subsection (a), in subdivision (3), by striking out the words “other than the appointment of a person to a public body or to any elected office”.

Which was disagreed to.

Thereupon, pending third reading of the bill, Senator White moved to amend the Senate proposal of amendment by in Sec. 2, 1 V.S.A. § 312, in subdivision (a)(1), by striking out “~~section 313(a)(2)~~ subdivision 313(b)(1)” and inserting in lieu thereof the following: section subdivision 313(a)(2)

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 790. An act relating to Reach Up eligibility.

H. 877. An act relating to repeal of report requirements that are at least five years old.

Proposal of Amendment; Point of Order; Third Reading Ordered

H. 501.

Senator Sears, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to operating a motor vehicle under the influence of alcohol or drugs.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 23 V.S.A. § 1201 is amended to read:

§ 1201. OPERATING VEHICLE UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR OTHER SUBSTANCE; CRIMINAL REFUSAL; ENHANCED PENALTY FOR BAC OF 0.16 OR MORE

(a) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway:

(1) when the person's alcohol concentration is 0.08 or more, or 0.02 or more if the person is operating a school bus as defined in subdivision 4(34) of this title; or

(2) when the person is under the influence of intoxicating liquor; or

(3) when the person is under the influence of any other drug or under the combined influence of alcohol and any other drug ~~to a degree which renders the person incapable of driving safely~~; or

(4) when the person's alcohol concentration is 0.04 or more if the person is operating a commercial motor vehicle as defined in subdivision 4103(4) of this title.

* * *

(h) As used in subdivision (a)(3) of this section, "under the influence of a drug" means that a drug interferes with a person's safe operation of a vehicle in the slightest degree. This subsection shall not be construed to affect the meaning of the terms "under the influence of intoxicating liquor" or "under the combined influence of alcohol and any other drug."

Sec. 2. DEPARTMENT OF PUBLIC SAFETY REPORTS; DRUG RECOGNITION EXPERTS

(a) On or before November 1, 2014, the Department of Public Safety shall report to the Senate and House Committees on Judiciary the number of Vermont law enforcement officers who are certified drug recognition experts and the number of drug recognition experts needed to provide adequate statewide law enforcement coverage;

(b) On or before November 1, 2015, the Department of Public Safety shall report to the Senate and House Committees on Judiciary on the use of drug

recognition experts in cases involving operating a motor vehicle while under the influence of drugs. The report shall include the following:

(1) the number of motor vehicle stops made by law enforcement in Vermont during the period of July 1, 2014 to June 30, 2015 and accidents that occurred during that period in which the operator of the vehicle was suspected of driving under the influence of drugs;

(2) the number of times an operator of a motor vehicle involved in an accident or stopped by a law enforcement officer during the period of July 1, 2014 to June 30, 2015 was examined by a drug recognition expert and the number of times, after examination by the drug recognition expert, that the operator was:

(A) charged with operating a motor vehicle under the influence of drugs;

(B) not charged with operating a motor vehicle under the influence of drugs; and

(C) convicted of operating a motor vehicle under the influence of drugs.

Sec. 3. 2009 Acts and Resolves No. 58, Sec. 14, as amended by 2010 Acts and Resolves No. 66, Sec. 3, is further amended to read:

Sec. 14. 13 V.S.A. § 5411a is amended to read:

§ 5411a. ELECTRONIC POSTING OF THE SEX OFFENDER REGISTRY

* * *

(b) The ~~department~~ Department shall electronically post the following information ~~on~~ regarding sex offenders designated in subsection (a) of this section:

- (1) the offender's name and any known aliases;
- (2) the offender's date of birth;
- (3) a general physical description of the offender;
- (4) a digital photograph of the offender;
- (5) the offender's town of residence;
- (6) the date and nature of the offender's conviction;

(7) except as provided in subsection (l) of this section, the offender's address or, if the offender does not have a fixed address, other information about where the offender habitually lives, if:

(A) the offender has been designated as high risk by the Department of Corrections pursuant to section 5411b of this title;

(B) the offender has not complied with sex offender treatment;

(C) there is an outstanding warrant for the offender's arrest;

(D) the offender is subject to the Registry for a conviction of a sex offense against a child under 13 years of age; or

(E) the offender's name has been electronically posted for an offense committed in another jurisdiction which required the person's address to be electronically posted in that jurisdiction;

(8) if the offender is under the supervision of the Department of Corrections, the name and telephone number of the local Department of Corrections office in charge of monitoring the sex offender;

~~(8)~~(9) whether the offender complied with treatment recommended by the Department of Corrections;

~~(9)~~(10) a statement that there is an outstanding warrant for the offender's arrest, if applicable;

~~(10)~~(11) the reason for which the offender information is accessible under this section;

~~(11)~~(12) whether the offender has been designated ~~high-risk~~ high risk by the Department of Corrections pursuant to section 5411b of this title; and

~~(12)~~(13) if the offender has not been subject to a risk assessment, a statement that the offender has not been so assessed and that such a person is presumed to be high risk, provided that the Department of Corrections shall permit a person subject to this subdivision to obtain a risk assessment at the person's own expense.

* * *

(d) ~~An offender's street address shall not be posted electronically.~~ The identity of a victim of an offense that requires registration shall not be released.

* * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Judiciary? Senator Galbraith raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that Sec. 3 of the proposal of amendment by the Committee on Judiciary was *not germane* to the bill and therefore could not be considered by the Senate.

Thereupon, the President *sustained* the point of order and ruled that Sec. 3 of the proposal of amendment by the Committee on Judiciary was *not germane* to the bill.

The President thereupon declared that Sec. 3 of the proposal of amendment offered by Committee on Judiciary could *not* be considered by the Senate and Sec. 3 of the proposal of amendment was ordered stricken.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Judiciary?, Senator Sears moved to amend the proposal of amendment of the Committee on Judiciary by inserting a new section to be numbered Sec. 3 to read as follows:

Sec. 3. NALTREXONE INJECTIONS; DEPARTMENT OF HEALTH STUDY

The Department of Health shall evaluate the feasibility, effectiveness, risks, and benefits of using an injectable form of the opioid antagonist naltrexone in the treatment of opioid addiction in Vermont, either instead of or in addition to the use of methadone and buprenorphine. On or before January 15, 2015, the Department shall report its findings and recommendations regarding the use of injectable naltrexone in Vermont's substance abuse treatment programs to the House Committees on Human Services and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Judiciary, as amended, was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 578.

Senator Hartwell, for the Committee on Finance, to which was referred House bill entitled:

An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 24 V.S.A. § 4753, in subsection (b), in the second sentence, after

“8 V.S.A. § 30101(3)” by inserting the following: , a credit union, as that term is defined in 8 V.S.A. § 30101(5),

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Snelling, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 645.

Senator Bray, for the Committee on Finance, to which was referred House bill entitled:

An act relating to workers' compensation.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 632 is amended to read:

§ 632. COMPENSATION TO DEPENDENTS; ~~DEATH BENEFITS~~ BURIAL AND FUNERAL EXPENSES

If death results from the injury, the employer shall pay to the persons entitled to compensation or, if there is none, then to the personal representative of the deceased employee, the actual burial and funeral expenses ~~in the amount of \$5,500.00~~ not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial not to exceed ~~\$1,000.00~~ \$5,000.00. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted. The employer shall also pay to or for the benefit of the following persons, for the periods prescribed in section 635 of this title, a weekly compensation equal to the following percentages of the deceased employee's average weekly wages. The weekly compensation payment herein allowed shall not exceed the maximum weekly compensation or be lower than the minimum weekly compensation:

* * *

Sec. 2. 21 V.S.A. § 639 is amended to read:

§ 639. DEATH, PAYMENT TO DEPENDENTS

In cases of the death of a person from any cause other than the accident during the period of payments for disability or for the permanent injury, the remaining payments for disability then due or for the permanent injury shall be made to the person's dependents according to the provisions of sections 635 and 636 of this title, or if there are none, the remaining amount due, but ~~not exceeding \$5,500.00 for burial and funeral expenses~~ no more than the actual burial and funeral expenses not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial not to exceed \$1,000.00 \$5,000.00, shall be paid in a lump sum to the proper person. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted.

Sec. 3. 21 V.S.A. § 640c is added to read:

§ 640c. OPIOID USAGE DETERRENCE

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to protect employees from the dangers of prescription drug abuse while maintaining a balance between the employee's health and the employee's expedient return to work.

(b) As it pertains to workers' compensation claims, the Commissioner of Labor, in consultation with the Department of Health, the State Pharmacologist, the Vermont Board of Medical Practice, and the Vermont Medical Society, shall adopt rules consistent with the best practices governing the prescription of opioids, including patient screening, drug screening, and claim adjudication for patients prescribed opioids for chronic pain. In adopting rules, the Commissioner shall consider guidelines and standards such as the Occupational Medicine Practice Guidelines published by the American College of Occupational and Environmental Medicine and other medical authorities with expertise in the treatment of chronic pain. The rules shall be consistent with the standards and guidelines provided under 18 V.S.A. § 4289 and any rules adopted by the Department of Health pursuant to 18 V.S.A. § 4289.

Sec. 4. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

* * *

(e)(1) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly that, following a workplace accident, an employee returns to work as soon as possible but remains cognizant of the limitations imposed by his or her medical condition.

(2) The Commissioner shall adopt rules promoting development and implementation of cost-effective, early return-to-work programs.

Sec. 5. 21 V.S.A. § 643a is amended to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer ~~not already filed, shall be filed with the notice~~ shall be provided to the injured worker. With the notice of discontinuance, the employer shall file only evidence relevant to the discontinuance, including evidence that does not support the discontinuance, with the Commissioner. The liability for the payments shall continue for ~~seven~~ 14 days after the notice is received by the ~~commissioner~~ Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of the 14-day limit. The Commissioner may grant an extension up to 21 days. The request for an extension shall be specific as to the number of days needed and the reason for the extension and must be received by the Commissioner prior to the end of the 14-day limit. A copy of the request for an extension shall be provided to the employer at the time the request is made to the Commissioner. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the

Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 6. 21 V.S.A. § 696 is amended to read:

§ 696. CANCELLATION OF INSURANCE CONTRACTS

A policy or contract shall not be cancelled within the time ~~limited~~ specified in the policy or contract for its expiration, until at least 45 days after a notice of intention to cancel the policy or contract, on a date specified in the notice, has been filed in the office of the ~~commissioner~~ Commissioner and provided to the employer. The notice shall be filed with the Commissioner in accordance with rules adopted by the Commissioner and provided to the employer by certified mail ~~or certificate of mailing~~. The cancellation shall not affect the liability of an insurance carrier on account of an injury occurring prior to cancellation.

Sec. 7. 21 V.S.A. § 697 is amended to read:

§ 697. NOTICE OF INTENT NOT TO RENEW POLICY

An insurance carrier who does not intend to renew a workers' compensation insurance policy ~~of workers' compensation insurance~~ or guarantee contract covering the liability of an employer under the provisions of this chapter, ~~45 days prior to the expiration of the policy or contract~~, shall give notice of ~~the~~ its intention to the ~~commissioner of labor~~ Commissioner and ~~to~~ the covered employer at least 45 days prior to the expiration date stated in the policy or contract. The notice shall be given to the employer by certified mail ~~or certificate of mailing~~. An insurance carrier who fails to give notice shall continue the policy or contract in force beyond its expiration date for 45 days from the day the notice is received by the ~~commissioner~~ Commissioner and the employer. However, ~~this latter provision shall not apply if, prior to such expiration date, on or before the expiration of the existing insurance or guarantee contract the insurance carrier has, by delivery of a renewal contract or otherwise, offered to continue the insurance beyond the date by delivery of a renewal contract or otherwise,~~ or if the employer notifies the insurance carrier in writing that the employer does not wish the insurance continued beyond the expiration date, or if the employer complies with the provisions of section 687

of this title, ~~on or before the expiration of the existing insurance or guarantee contract~~ then the policy will expire upon notice to the Commissioner.

Sec. 8. 2013 Acts and Resolves No. 75, Sec. 14 is amended as follows:

Sec. 14. UNIFIED PAIN MANAGEMENT SYSTEM ADVISORY COUNCIL

* * *

(b) The Unified Pain Management System Advisory Council shall consist of the following members:

* * *

(4) the Commissioner of Labor or designee;

(5) the Director of the Blueprint for Health or designee;

~~(5)~~(6) the Chair of the Board of Medical Practice or designee, who shall be a clinician;

~~(6)~~(7) a representative of the Vermont State Dental Society, who shall be a dentist;

~~(7)~~(8) a representative of the Vermont Board of Pharmacy, who shall be a pharmacist;

~~(8)~~(9) a faculty member of the academic detailing program at the University of Vermont's College of Medicine;

~~(9)~~(10) a faculty member of the University of Vermont's College of Medicine with expertise in the treatment of addiction or chronic pain management;

~~(10)~~(11) a representative of the Vermont Medical Society, who shall be a primary care clinician;

~~(11)~~(12) a representative of the American Academy of Family Physicians, Vermont chapter, who shall be a primary care clinician;

~~(12)~~(13) a representative from the Vermont Board of Osteopathic Physicians, who shall be an osteopath;

~~(13)~~(14) a representative of the Federally Qualified Health Centers, who shall be a primary care clinician selected by the Bi-State Primary Care Association;

~~(14)~~(15) a representative of the Vermont Ethics Network;

~~(15)~~(16) a representative of the Hospice and Palliative Care Council of Vermont;

- ~~(16)~~(17) a representative of the Office of the Health Care Ombudsman;
- ~~(17)~~(18) the Medical Director for the Department of Vermont Health Access;
- ~~(18)~~(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals;
- ~~(19)~~(20) a member of the Vermont Board of Nursing Subcommittee on APRN Practice, who shall be an advanced practice registered nurse;
- ~~(20)~~(21) a representative from the Vermont Assembly of Home Health and Hospice Agencies;
- ~~(21)~~(22) a psychologist licensed pursuant to 26 V.S.A. chapter 55 who has experience in treating chronic pain, to be selected by the Board of Psychological Examiners;
- ~~(22)~~(23) a drug and alcohol abuse counselor licensed pursuant to 33 V.S.A. chapter 8, to be selected by the Deputy Commissioner of Health for Alcohol and Drug Abuse Programs;
- ~~(23)~~(24) a retail pharmacist, to be selected by the Vermont Pharmacists Association;
- ~~(24)~~(25) an advanced practice registered nurse full-time faculty member from the University of Vermont's Department of Nursing; and
- ~~(25)~~(26) a consumer representative who is either a consumer in recovery from prescription drug abuse or a consumer receiving medical treatment for chronic noncancer-related pain;
- (27) a clinician who specializes in occupational medicine;
- (28) a clinician who specializes in physical medicine and rehabilitation;
and
- (29) a consumer representative who is or has been an injured worker and has been prescribed opioids.

* * *

Sec. 9. 21 V.S.A. § 678 is amended to read:

§ 678. COSTS; ATTORNEY FEES

(a) Necessary costs of proceedings under this chapter, including deposition expenses, subpoena fees, and expert witness fees, shall be assessed by the ~~commissioner~~ Commissioner against the employer or its workers' compensation carrier when the claimant prevails. The ~~commissioner~~

Commissioner may allow the claimant to recover reasonable ~~attorney~~ attorney's fees when the claimant prevails. Costs shall not be taxed or allowed either party except as provided in this section.

(b) In appeals to the ~~superior or supreme courts~~ Superior or Supreme Court, if the claimant prevails, he or she shall be entitled to reasonable ~~attorney~~ attorney's fees as approved by the ~~court~~ Court, necessary costs, including deposition expenses, subpoena fees, and expert witness fees, and interest at the rate of 12 percent per annum on that portion of any award the payment of which is contested. Interest shall be computed from the date of the award of the ~~commissioner~~ Commissioner.

* * *

Sec. 10. 21 V.S.A. § 655 is amended to read:

§ 655. PROCEDURE IN OBTAINING COMPENSATION; MEDICAL EXAMINATION; VIDEO AND AUDIO RECORDING

After an injury and during the period of disability, if so requested by his or her employer, or ordered by the Commissioner, the employee shall submit to examination, at reasonable times and ~~places~~ within a 50-mile radius of the residence of the injured employee, by a duly licensed physician or surgeon designated and paid by the employer. The Commissioner may in his or her discretion permit an examination outside the 50-mile radius if it is necessary to obtain the services of a provider who specializes in the evaluation and treatment specific to the nature and extent of the employee's injury. The employee may make a video or audio recording of any examination performed by the insurer's physician or surgeon or have a licensed health care provider designated and paid by the employee present at the examination. The employer may make an audio recording of the examination. The right of the employee to record the examination shall not be construed to deny to the employer's physician the right to visit the injured employee at all reasonable times and under all reasonable conditions during total disability. If an employee refuses to submit to or in any way obstructs the examination, the employee's right to prosecute any proceeding under the provisions of this chapter shall be suspended until the refusal or obstruction ceases, and compensation shall not be payable for the period which the refusal or obstruction continues.

Sec. 11. 21 V.S.A. § 624 is amended to read:

§ 624. DUAL LIABILITY; CLAIMS, SETTLEMENT PROCEDURE

* * *

(e)(1) In an action to enforce the liability of a third party, the injured employee may recover any amount which the employee or the employee's personal representative would be entitled to recover in a civil action. Any recovery against the third party for damages resulting from personal injuries or death only, after deducting expenses of recovery, shall first reimburse the employer or its workers' compensation insurance carrier for any amounts paid or payable under this chapter to date of recovery, and the balance shall forthwith be paid to the employee or the employee's dependents or personal representative and shall be treated as an advance payment by the employer on account of any future payment of compensation benefits. Reimbursement required under this subsection, except to prevent double recovery, shall not reduce the employee's recovery of any benefit or payment provided by a plan or policy that was privately purchased by the injured employee, including uninsured-under insured motorist coverage, or any other first party insurance payments or benefits.

(2) In an instance where the recovery amount is less than the full value of the claim for personal injuries or death, the employer or its workers' compensation insurance carrier shall be reimbursed less than the amount paid or payable under this chapter. Reimbursement shall be limited to the proportion which the recovery allowed in the previous subsection bears to the total recovery for all damages. In determining the full value of the claim for personal injuries or death, the Commissioner shall make that administrative determination by considering the same evidence that a Superior Court would consider in determining damages in a personal injury or wrongful death action, or the Commissioner may order that the valuation of the claim be determined by a single arbitrator, which shall be adopted as a decision of the Commissioner. An appeal from the Commissioner's decision shall be made pursuant to section 670 of this title, except that the action shall be tried to the presiding judge of the Superior Court.

* * *

Sec. 12. EFFECTIVE DATES

(a) This section and Secs. 3, 4, 9, 10, and 11 shall take effect on passage.

(b) Secs. 1, 2, and 5-8 shall take effect on July 1, 2014.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Westman, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposals of Amendment; Third Reading Ordered

H. 646.

Senator Ashe, for the Committee on Finance, to which was referred House bill entitled:

An act relating to unemployment insurance.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 21 V.S.A. § 342a, in subsection (a), after the words “a response” by inserting the following: to the specific allegation in the complaint filed by the employee or the Department

Second: By striking out Sec. 9, in its entirety and inserting in lieu thereof three new sections to read to be numbered Secs. 9, 10 and 11 to read as follows:

Sec. 9. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS’ EXPERIENCE-RATING RECORDS;
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer’s experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(F) The individual voluntarily separated from that employer to accompany a spouse who is on active duty with the U.S. Armed Forces or who holds a commission in the foreign service of the United States and is assigned overseas as provided by section 1344(a)(2)(A) of this chapter.

* * *

Sec. 10. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(2) For any week benefits are claimed, except as provided in subdivision (a)(3) of this section, until he or she has presented evidence to the satisfaction of the Commissioner that he or she has performed services in employment for a bona fide employer and has had earnings in excess of six times his or her weekly benefit amount if the Commissioner finds that such individual is unemployed because:

(A) He or she has left the employ of his or her last employing unit voluntarily without good cause attributable to such employing unit. An individual shall not suffer more than one disqualification by reason of such separation. However, an individual shall not be disqualified for benefits if the individual left such employment to accompany a spouse who is on active duty with the U.S. Armed Forces or who holds a commission in the foreign service of the United States and is assigned overseas and is required to relocate by the U.S. Armed Forces due to permanent change of station orders, activation orders, or unit deployment orders, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employment unit.

* * *

Sec. 11. EFFECTIVE DATES

(a) This section and Sec. 4(h) (rulemaking for self-employment assistance program) shall take effect on passage.

(b) Secs. 1–3, 4(a)–(g) and (i), and 5–10 shall take effect on July 1, 2014.

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

House Proposal of Amendment Concurred In**S. 293.**

House proposal of amendment to Senate bill entitled:

An act relating to reporting on population-level outcomes and indicators and on program-level performance measures.

Were taken up.

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

First: In Sec. 2, 3 V.S.A. chapter 45, subchapter 5, by striking out in its entirety § 2313 (performance contracts and grants) and inserting in lieu thereof a new § 2313 to read as follows:

§ 2313. PERFORMANCE CONTRACTS AND GRANTS

(a) The Chief Performance Officer shall assist agencies as necessary in developing performance measures for contracts and grants.

(b) Annually, on or before July 30 and as part of any other report requirement to the General Assembly set forth in this subchapter, the Chief Performance Officer shall report to the General Assembly on the progress by rate or percent of how many State contracts and grants have performance accountability requirements and the rate or percent of contractors' and grantees' compliance with those requirements.

Second: By striking out in its entirety Sec. 3 (initial population-level indicators) and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. INITIAL POPULATION-LEVEL INDICATORS

Until any population-level indicators are requested pursuant to the provisions of Sec. 2 of this act, 3 V.S.A. § 2311(c) (requesting population-level indicators), each population-level quality of life outcome set forth in Sec. 2 of this act, 3 V.S.A. § 2311(b) (Vermont population-level quality of life outcomes), and listed in this section shall have the following population-level indicators:

(1) Vermont has a prosperous economy.

(A) percent or rate per 1,000 jobs of nonpublic sector employment;

(B) median household income;

(C) percent of Vermont covered by state-of-the-art telecommunications infrastructure;

(D) median house price;

(E) rate of resident unemployment per 1,000 residents;

(F) percent of structurally-deficient bridges, as defined by the Vermont Agency of Transportation; and

(G) percent of food sales that come from Vermont farms.

(2) Vermonters are healthy.

(A) percent of adults 20 years of age or older who are obese;

(B) percent of adults smoking cigarettes;

(C) number of adults who are homeless;

(D) percent of individuals and families living at different poverty levels;

(E) percent of adults at or below 200 percent of federal poverty level; and

(F) percent of adults with health insurance.

(3) Vermont's environment is clean and sustainable.

(A) cumulative number of waters subject to TMDLs or alternative pollution control plans;

(B) percent of water, sewer, and stormwater systems that meet federal and State standards;

(C) carbon dioxide per capita; and

(D) electricity by fuel or power type.

(4) Vermont's communities are safe and supportive.

(A) rate of petitions granted for relief from domestic abuse per 1,000 residents;

(B) rate of violent crime per 1,000 crimes;

(C) rate of sexual assault committed against residents per 1,000 residents;

(D) percent of residents living in affordable housing;

(E) percent or rate per 1,000 people convicted of crimes of recidivism;

(F) incarceration rate per 100,000 residents; and

(G) percent or rate per 1,000 residents of residents entering the corrections system.

(5) Vermont's families are safe, nurturing, stable, and supported.

(A) number and rate per 1,000 children of substantiated reports of child abuse and neglect;

(B) number of children who are homeless;

(C) number of families that are homeless; and

(D) number and rate per 1,000 children and youth of children and youth in out-of-home care.

(6) Vermont's children and young people achieve their potential, including:

(A) Pregnant women and young people thrive.

(i) percent of women who receive first trimester prenatal care;

(ii) percent of live births that are preterm (less than 37 weeks);

(iii) rate of infant mortality per 1,000 live births;

(iv) percent of children at or below 200 percent of federal poverty level; and

(v) percent of children with health insurance.

(B) Children are ready for school.

(i) percent of kindergarteners fully immunized with all five vaccines required for school;

(ii) percent of first-graders screened for vision and hearing problems;

(iii) percent of children ready for school in all five domains of healthy development; and

(iv) percent of children receiving State subsidy enrolled in high quality early childhood programs that receive at least four out of five stars under State standards.

(C) Children succeed in school.

(i) rate of school attendance per 1,000 children;

(ii) percent of children below the basic level of fourth grade reading achievement under State standards; and

(iii) rate of high school graduation per 1,000 high school students.

(D) Youths choose healthy behaviors.

(i) rate of pregnancy per 1,000 females 15–17 years of age;

-
- (ii) rate of pregnancy per 1,000 females 18–19 years of age;
 - (iii) percent of adolescents smoking cigarettes;
 - (iv) percent of adolescents who used marijuana in the past 30 days;
 - (v) percent of adolescents who reported ever using a prescription drug without a prescription;
 - (vi) percent of adolescents who drank alcohol in the past 30 days; and
 - (vii) number and rate per 1,000 minors of minors who are under the supervision of the Department of Corrections.
 - (E) Youths successfully transition to adulthood.
 - (i) percent of high school seniors with plans for education, vocational training, or employment;
 - (ii) percent of graduating high school seniors who continue their education within six months of graduation;
 - (iii) percent of all deaths for youths 10–19 years of age;
 - (iv) rate of suicide per 100,000 Vermonters;
 - (v) percent of adolescents with a suicide attempt that requires medical attention;
 - (vi) percent of high school graduates entering postsecondary education, work, or training;
 - (vii) percent of completion of postsecondary education; and
 - (viii) rate of high school graduates entering a training program per 1,000 high school graduates.
 - (7) Vermont’s elders and people with disabilities and people with mental conditions live with dignity and independence in settings they prefer.
 - (A) rate of confirmed reports of abuse and neglect of vulnerable adults per 1,000 vulnerable adults;
 - (B) percent of elders living in institutions versus receiving home care; and
 - (C) number of people with disabilities and people with mental conditions receiving State services living in each of the following: institutions, residential or group facilities, or independently.

(8) Vermont has open, effective, and inclusive government at the State and local levels.

(A) percent of youth who spoke to their parents about school;

(B) percent of youth who report they help decide what goes on in their school;

(C) percent of eligible population voting in general elections;

(D) percent of students volunteering in their community in the past week;

(E) percent of youth who feel valued by their community; and

(F) percent of youth that report their teachers care about them and give them encouragement.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment?, was decided in the affirmative.

House Proposal of Amendment Concurred In

S. 281.

House proposal of amendment to Senate bill entitled:

An act relating to vision riders and a choice of providers for vision and eye care services.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 8 V.S.A. § 4088j is added to read:

§ 4088j. CHOICE OF PROVIDERS FOR VISION CARE AND MEDICAL EYE CARE SERVICES

(a) To the extent a health insurance plan provides coverage for vision care or medical eye care services, it shall cover those services whether provided by a licensed optometrist or by a licensed ophthalmologist, provided the health care professional is acting within his or her authorized scope of practice and participates in the plan's network.

(b) A health insurance plan shall impose no greater co-payment, coinsurance, or other cost-sharing amount for services when provided by an optometrist than for the same service when provided by an ophthalmologist.

(c) A health insurance plan shall provide to a licensed health care professional acting within his or her scope of practice the same level of

reimbursement or other compensation for providing vision care and medical eye care services that are within the lawful scope of practice of the professions of medicine, optometry, and osteopathy, regardless of whether the health care professional is an optometrist or an ophthalmologist.

(d)(1) A health insurer shall permit a licensed optometrist to participate in plans or contracts providing for vision care or medical eye care to the same extent as it does an ophthalmologist.

(2) A health insurer shall not require a licensed optometrist or ophthalmologist to provide discounted materials benefits or to participate as a provider in another medical or vision care plan or contract as a condition or requirement for the optometrist's or ophthalmologist's participation as a provider in any medical or vision care plan or contract.

(e)(1) An agreement between a health insurer or an entity that writes vision insurance and an optometrist or ophthalmologist for the provision of vision services to plan members or subscribers in connection with coverage under a stand-alone vision plan or other health insurance plan shall not require that an optometrist or ophthalmologist provide services or materials at a fee limited or set by the plan or insurer unless the services or materials are reimbursed as covered services under the contract.

(2) An optometrist or ophthalmologist shall not charge more for services and materials that are noncovered services under a vision plan than his or her usual and customary rate for those services and materials.

(3) Reimbursement paid by a vision plan for covered services and materials shall be reasonable and shall not provide nominal reimbursement in order to claim that services and materials are covered services.

(f) As used in this section:

(1) "Covered services" means services and materials for which reimbursement from a vision plan or other health insurance plan is provided by a member's or subscriber's plan contract, or for which a reimbursement would be available but for application of the deductible, co-payment, or coinsurance requirements under the member's or subscriber's health insurance plan.

(2) "Health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer or a subcontractor of a health insurer, as well as Medicaid and any other public health care assistance program offered or administered by the State or by any subdivision or instrumentality of the State. The term includes vision plans but does not include policies or plans providing coverage for a specified disease or other limited benefit coverage.

(3) “Health insurer” shall have the same meaning as in 18 V.S.A. § 9402.

(4) “Materials” includes lenses, devices containing lenses, prisms, lens treatments and coatings, contact lenses, and prosthetic devices to correct, relieve, or treat defects or abnormal conditions of the human eye or its adnexa.

(5) “Ophthalmologist” means a physician licensed pursuant to 26 V.S.A. chapter 23 or an osteopathic physician licensed pursuant to 26 V.S.A. chapter 33 who has had special training in the field of ophthalmology.

(6) “Optometrist” means a person licensed pursuant to 26 V.S.A. chapter 30.

Sec. 2. EFFECTIVE DATE

This act shall take effect on January 1, 2015.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 299.

House proposal of amendment to Senate proposal of amendment to House proposal of amendment to Senate bill entitled:

An act relating to sampler flights.

Was taken up.

The House concurs in the Senate proposal of amendment to the House proposal of amendment with further proposal of amendment thereto as follows:

By striking out Sec. 8 and inserting in lieu thereof two new sections to read as follows:

Sec. 8. 31 V.S.A. § 654 is amended to read:

§ 654. POWERS AND DUTIES

The ~~commission~~ Commission shall ~~promulgate~~ adopt rules pursuant to 3 V.S.A. chapter 25 of Title 3, governing the establishment and operation of the ~~state lottery~~ State Lottery. The rules may include, ~~but shall not be limited to~~, the following:

* * *

(7) ~~Ticket sales~~ Lottery product sales locations, which may include ~~state~~ State liquor stores and liquor agencies; private business establishments, except establishments holding first- or first- and third-class licenses pursuant to Title 7; fraternal, religious, and volunteer organizations; town clerks' offices; and ~~state~~ State fairs, race tracks and other sporting arenas;

* * *

Sec. 9. EFFECTIVE DATES

This act shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment?, on motion of Senator Mullin, the Senate refused to concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment and requested a Committee of Conference.

House Proposal of Amendment; Consideration Postponed

S. 314.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous amendments to laws related to motor vehicles.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Nondriver Identification Cards * * *

Sec. 1. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a) Any Vermont resident may make application to the Commissioner and be issued an identification card which is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require which shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis. Every application for an identification card shall be signed by the applicant and shall contain such evidence of age and identity as the Commissioner may require, consistent with subsection (1) of this section. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on

his or her identification card. If a veteran, as defined in 38 U.S.C. § 101(2), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of Veterans Affairs confirms his or her status as an honorably discharged veteran or a veteran discharged under honorable conditions, the identification card shall include the term "veteran" on its face. The Commissioner shall require payment of a fee of \$20.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to a person who surrenders his or her license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition.

~~(b) Except as provided in subsection (1) of this section, every~~ Every identification card shall expire, unless earlier canceled, on the fourth birthday of the applicant following the date of original issue, and may be renewed every four years upon payment of a \$20.00 fee. At least 30 days before an identification card will expire, the Commissioner shall mail first class to the cardholder an application to renew the identification card.

* * *

(1)(1) The Commissioner shall issue identification cards to Vermont residents who are not U.S. citizens but are able to establish lawful presence in the United States if an applicant follows the procedures and furnishes documents as required under subsection 603(d) of this title and any policies or rules adopted thereunder, and otherwise satisfies the requirements of this section. The identification cards shall expire consistent with subsection 603(d) of this title.

* * *

(4) A non-REAL ID compliant identification card issued under subdivision (2) or (3) of this subsection shall:

~~(A) bear on its face text indicating that it is not valid for federal identification or official purposes; and~~

~~(B) expire at midnight on the eve of the second birthday of the applicant following the date of issuance.~~

* * * Vehicles Eligible to Display Vanity Plates * * *

Sec. 2. 23 V.S.A. § 304(b) is amended to read:

(b) The authority to issue vanity motor vehicle number plates or special number plates for safety organizations and service organizations shall reside with the Commissioner. Determination of compliance with the criteria contained in this section shall be within the discretion of the Commissioner.

Series of number plates for safety and service organizations which are authorized by the Commissioner shall be issued in order of approval, subject to the operating considerations in the Department as determined by the Commissioner. The Commissioner shall issue vanity and special organization number plates in the following manner:

(1) Vanity plates. Subject to the restrictions of this section, vanity plates shall be issued at the request of the registrant of a motor vehicle ~~registered at the pleasure car rate or of a truck registered for less than 26,001 pounds (but excluding trucks unless the vehicle is registered under the International Registration Plan)~~, upon application and upon payment of an annual fee of \$45.00 in addition to the annual fee for registration. The Commissioner shall not issue two sets of plates bearing the same initials or letters unless the plates also contain a distinguishing number. Vanity plates are subject to reassignment if not renewed within 60 days of expiration of the registration.

* * *

(c) The Commissioner shall issue registration numbers 101 through 9999, which shall be known as reserved registration numbers, ~~for pleasure cars or~~ motor trucks that are registered at the pleasure car rate, and motorcycles in the following manner:

(1) A person holding a reserved registration number ~~between 101 and 9999~~ may retain the number for the ensuing registration period, provided application is made ~~prior to or within~~ at least 60 days of the ~~prior to~~ expiration of the registration.

(2) If the registrant does not renew the registration, the number may be reassigned to a member of the immediate family if application is made ~~within~~ at least 60 days of the ~~prior to~~ expiration of the registration. As used herein, "immediate family" means the spouse, household member, grandparents, parents, siblings, children, or grandchildren of the registrant.

(3) The Commissioner shall restrict the issuance of these registrations to residents of this State and may restrict issuance to applicants who do not already have such a registration issued to them.

(4) A person holding a reserved registration number ~~between 101 and 9999~~ on a pleasure car ~~may also have the same number on a~~ truck that is registered at the pleasure car rate, and vice versa ~~or a motorcycle may be issued the same reserved registration number for the other authorized vehicle types, provided that the person receives no more than one such plate or set of plates for each authorized vehicle type.~~

* * *

* * * Registration Validation Stickers; Proof of Temporary Registration * * *

Sec. 3. 23 V.S.A. § 305 is amended to read:

§ 305. REGISTRATION PERIODS

(a) The Commissioner of Motor Vehicles shall issue registration certificates, validation stickers, and number plates upon initial registration, and registration certificates and validation stickers for the each succeeding renewal period of registration, upon payment of the registration fee. ~~Except as otherwise provided, number~~ Number plates so issued will become void one year from the first day of the month following the month of issue unless a longer initial registration period is authorized by law, or unless this period is extended through renewal. Registrations issued for motor trucks shall become void one year from the first day of the month following the month of issue. The fees for annual special excess weight permits issued to these vehicles pursuant to section 1392 of this title shall be prorated so as to coincide with registration expiration dates.

(b) ~~The Commissioner of Motor Vehicles~~ shall issue a registration certificate, validation sticker, and number plates for each motor vehicle owned by the State, that shall be valid for a period of five years. Such motor vehicle shall be considered as properly registered while the plates so issued are attached thereto. The Commissioner may replace such number plates when in his or her discretion their condition requires.

~~(c) The Commissioner may issue number plates to be used for a period of two or more years. One validating sticker shall be issued by the Department of Motor Vehicles upon payment of the registration fee for the second and each succeeding year the plate is used.~~ Except as otherwise provided in subsection (d) of this section, no plate is valid ~~for the second and succeeding years~~ unless the validation sticker is affixed to the rear plate in the manner prescribed by the Commissioner in section 511 of this title.

(d) When a registration for a motor vehicle, snowmobile, motorboat, or all-terrain vehicle is processed electronically, a receipt shall be available electronically and for printing. The An electronic or printed receipt shall serve as a temporary registration. ~~To be valid, the temporary registration shall be in the possession of the operator at all times, and it shall expire for~~ ten days after the date of the transaction. An electronic receipt may be shown to an enforcement officer using a portable electronic device. Use of a portable electronic device to display the receipt does not in itself constitute consent for an officer to access other contents of the device.

Sec. 4. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the ~~commissioner of motor vehicles~~ Commissioner may require. Such number plates shall be furnished by the ~~commissioner of motor vehicles, showing~~ Commissioner and shall show the number assigned to such vehicle by the ~~commissioner~~ Commissioner. If only one number plate is furnished, the same shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle. The number plates shall be kept entirely unobscured, and the numerals and the letters thereon shall be plainly legible at all times. They shall be kept horizontal, shall be so fastened as not to swing, excepting however, there may be installed on a motor truck or truck tractor a device which would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the ~~commissioner~~ Commissioner pursuant to the provisions of 3 V.S.A. chapter 25 of Title 3.

(b) A registration validation sticker shall be unobstructed, and shall be affixed as follows:

(1) for vehicles issued registration plates with dimensions of approximately 12 × 6 inches, in the lower right corner of the rear registration plate; and

(2) for vehicles issued a registration plate with a dimension of approximately 7 × 4 inches, in the upper right corner of the rear registration plate.

(c) A person shall not operate a motor vehicle unless number plates and a validation sticker are displayed as provided in this section.

* * * Reciprocal Recognition of Learner's Permits * * *

Sec. 5. 23 V.S.A. § 411 is amended to read:

§ 411. RECIPROCAL PROVISIONS

As determined by the ~~commissioner of motor vehicles~~ Commissioner, a motor vehicle owned by a nonresident, shall be considered as registered and a nonresident operator shall be considered as licensed or permitted in this ~~state,~~ State if the nonresident owner or operator has complied with the laws of the foreign country or state of his or her residence relative to the registration of motor vehicles and the granting of operators' licenses or learner's permits.

Any exemptions provided in this section shall, however, be operative as to an owner or operator of a motor vehicle only to the extent that under the laws of the foreign country or state of his residence like exemptions and privileges are granted to operators duly licensed or permitted and to owners of motor vehicles duly registered under the laws of this ~~state~~ State. If the owner or operator is a resident of a country not adjoining the United States, such exemptions shall be operative for a period of 30 days for vacation purposes, notwithstanding that such country does not grant like privileges to residents of this ~~state~~ State. Such exemptions shall not be operative as to the owner of a motor truck used for the transportation of property for hire or profit between points within the ~~state~~ State or to the owner of any motor vehicle carrying an auxiliary fuel tank or tanks providing an additional supply of motor fuel over and above that provided in the standard equipment of such vehicle.

Sec. 6. 23 V.S.A. § 615 is amended to read:

§ 615. UNLICENSED OPERATORS

(a)(1) An unlicensed person 15 years of age or older may operate a motor vehicle if he or she possesses a valid learner's permit issued to him or her by the Commissioner, or by another jurisdiction in accordance with section 411 of this title, and if his or her licensed parent or guardian, licensed or certified driver education instructor, or licensed person at least 25 years of age rides beside him or her. Nothing in this section shall be construed to permit a person against whom a revocation or suspension of license is in force, or a person ~~less~~ younger than 15 years of age, or a person who has been refused a license by the Commissioner to operate a motor vehicle.

* * *

* * * Out-of-state Junior Operators * * *

Sec. 7. 23 V.S.A. § 614 is amended to read:

§ 614. RIGHTS UNDER LICENSE

* * *

(b) A junior operator's license shall entitle the holder to operate a registered motor vehicle with the consent of the owner, but shall not entitle him or her to operate a motor vehicle in the course of his or her employment or for direct or indirect compensation for one year following issuance of the license, except that the holder may operate a farm tractor with or without compensation upon a public highway in going to and from different parts of a farm of the tractor's owner or to go to any repair shop for repair purposes. A junior operator's license shall not entitle the holder to carry passengers for hire.

(c) During the first three months of operation, the holder of a junior operator's license is restricted to driving alone or with a licensed parent or guardian, licensed or certified driver education instructor, or licensed person at least 25 years of age. During the following three months, a junior operator may additionally transport family members. No person operating with a junior operator's license shall transport more passengers than there are safety belts unless he or she is operating a vehicle that has not been manufactured with a federally approved safety belt system. A person convicted of operating a motor vehicle in violation of this subsection shall be subject to a penalty of not more than \$50.00, and his or her license shall be recalled for a period of 90 days. The provisions of this subsection may be enforced only if a law enforcement officer has detained the operator for a suspected violation of another traffic offense.

(d) A nonresident under 18 years of age who is privileged to operate on Vermont highways under section 411 of this title shall be subject to the restrictions of subsections (b) and (c) of this section.

* * * Driving Privilege Cards * * *

Sec. 8. 23 V.S.A. § 603(h) is amended to read:

(h) A privilege card issued under this section shall:

* * *

(2) expire at midnight on the eve of the second birthday of the applicant following the date of issuance or, at the option of an applicant for an operator's privilege card and upon payment of the required four-year fee, at midnight on the eve of the fourth birthday of the applicant following the date of issuance.

Sec. 9. 23 V.S.A. § 608 is amended to read:

§ 608. FEES

(a) The four-year fee required to be paid the Commissioner for licensing an operator of motor vehicles or for issuing an operator's privilege card shall be \$48.00. The two-year fee required to be paid the Commissioner for licensing an operator or for issuing an operator's privilege card shall be \$30.00 and the two-year fee for licensing a junior operator or for issuing a junior operator's privilege card shall be \$30.00.

* * *

Sec. 10. CREDIT FOR PRICE PREMIUM OF TWO-YEAR PRIVILEGE CARDS; SUBSTITUTION OF PRIVILEGE CARDS FOR LICENSES AND PERMITS

(a) If a person issued a two-year operator's privilege card from January 1, 2014 to June 30, 2014 applies and qualifies for a four-year REAL ID-compliant operator's license or a four-year operator's privilege card upon expiration of the two-year privilege card, he or she shall be entitled upon request to a credit of \$6.00 toward the fee of the four-year operator's license or four-year operator's privilege card.

(b) If a person issued a two-year operator's privilege card from January 1, 2014 to June 30, 2014 applies and qualifies for a four-year REAL ID-compliant operator's license prior to expiration of his or her privilege card, the Department of Motor Vehicles shall issue him or her the four-year REAL ID-compliant license at a charge of \$18.00. The four-year REAL-ID compliant license shall expire at midnight on the eve of the fourth birthday of the applicant following the date of issuance of the privilege card.

(c)(1) If a person issued a two-year operator's privilege card, junior operator's privilege card, or learner's privilege card from January 1, 2014 to December 31, 2015 applies and qualifies for a two-year REAL ID-compliant operator's license, junior operator's license, or learner's permit prior to expiration of his or her privilege card, the Department of Motor Vehicles shall issue the applicant at no charge a REAL ID-compliant license or permit that expires on the same date as the applicant's privilege card.

(2) If a person issued a four-year operator's privilege card from July 1, 2014 to December 31, 2015 applies and qualifies for a four-year REAL ID-compliant operator's license prior to expiration of his or her privilege card, the Department of Motor Vehicles shall issue at no charge a REAL ID-compliant license that expires on the same date as the applicant's privilege card.

* * * Driver's Training School Licensees * * *

Sec. 11. 23 V.S.A. § 704 is amended to read:

§ 704. QUALIFICATIONS FOR TRAINING SCHOOL LICENSE

~~Each applicant in order to~~ To qualify for a driver's training school license, ~~each new and renewal applicant shall meet the following requirements:~~

* * *

(3) ~~provide evidence that he or she maintains~~ maintain bodily injury and property damage liability insurance on each motor vehicle being used in driver training, insuring the liability of the driver training school and the operator of

each motor vehicle for each instructor and of any person while using any such motor vehicle with the permission of the named insured in at least the following amount: \$300,000.00 for bodily injury or death of one person in any one accident and, subject to said limit for one person, \$500,000.00 for bodily injury or death of two or more persons in any one accident, and \$100,000.00 for damage to property of others in any one accident. ~~Evidence of such insurance coverage shall be in the form of a certificate from an insurance company authorized to do business in this state filed with the commissioner setting forth the amount of coverage and providing that the policy of insurance shall be noncancelable except after 15 days' written notice to the commissioner~~ A carrier who insures an applicant under this subdivision shall provide the Commissioner and the insured with proof of insurance at the beginning of each policy period. A cancellation or nonrenewal of such insurance may take effect only after notice to the Commissioner and the insured at least 15 days prior to the cancellation or nonrenewal;

* * *

* * * Definition of Business Day or Working Day * * *

Sec. 12. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may be otherwise provided herein, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

* * *

(83) "Business day" or "working day" means any calendar day except Saturday, Sunday, or any day classified as a holiday under 1 V.S.A. § 371.

* * * Proof of Financial Responsibility * * *

Sec. 13. 23 V.S.A. § 800 is amended to read:

§ 800. MAINTENANCE OF FINANCIAL RESPONSIBILITY

(a) No owner of a motor vehicle required to be registered, or operator required to be licensed or issued a learner's permit, shall operate or permit the operation of the vehicle upon the highways of the State without having in effect an automobile liability policy or bond in the amounts of at least \$25,000.00 for one person and \$50,000.00 for two or more persons killed or injured and \$10,000.00 for damages to property in any one ~~accident~~ crash. In lieu thereof, evidence of self-insurance in the amount of \$115,000.00 must be filed with the Commissioner of Motor Vehicles, and shall be maintained and

evidenced in a form prescribed by the Commissioner. The Commissioner may require that evidence of financial responsibility be produced before motor vehicle inspections are performed pursuant to the requirements of section 1222 of this title.

(b) A person who violates subsection (a) of this section shall be assessed a civil penalty of not more than \$500.00, and such violation shall be a traffic violation within the meaning of chapter 24 of this title.

(c) Every operator of a vehicle required to be registered shall have proof of financial responsibility as required by subsection (a) of this section when operating such vehicle on the highways of this State. A person may prove financial responsibility using a portable electronic device; however, use of a device for this purpose does not in itself constitute consent for an enforcement officer to access other contents of the device. An operator cited for violating this subsection shall not be convicted if he or she sends or produces to the issuing enforcement agency within seven business days of the traffic stop proof of financial responsibility that was in effect at the time of the traffic stop.

(d) A person who violates subsection (c) of this section shall be subject to a fine of not more than \$100.00.

* * * Possession of License Certificate; Grace Period * * *

Sec. 14. 23 V.S.A. § 611 is amended to read:

§ 611. POSSESSION OF LICENSE CERTIFICATE

Every licensee shall have his or her operator's license certificate in his or her immediate possession at all times when operating a motor vehicle. However, ~~no~~ a person charged cited with violating this section or section 610 of this title shall not be convicted if he or she sends a copy of or produces in court or to the enforcement officer to the issuing enforcement agency within seven business days of the traffic stop an operator's license certificate ~~theretofore issued to him or her which, at the time of his or her citation, that was valid or had expired within the prior 14 days prior to the traffic stop.~~

* * * Out-of-State Fuel User's License; Repeal * * *

Sec. 15. 23 V.S.A. § 415 is amended to read:

§ 415. NONDIESEL FUEL USER'S LICENSE

* * *

~~(c) In addition to any other provision of law relating to registration of motor vehicles, or fees paid for registration, a person owning or operating upon the highways of this state a motor truck with a gross weight of 18,000 pounds or over, powered by gasoline or other nondiesel fuel and not base registered in~~

~~this state, shall apply to the commissioner for a nondiesel fuel user's license for each motor truck to be so operated. Application shall be made upon a form prescribed by the commissioner and shall set forth such information as he or she may require. The application shall be accompanied by a license fee of \$6.50 for each motor truck listed in the application, the fee being for the purpose of paying the cost of issuing the license, cab card and sticker. The commissioner shall issue a license, cab card and identification tag, plate, or sticker for each motor truck, which tag, plate or sticker shall be of the size and design and contain such information as the commissioner shall prescribe. Except as otherwise provided, any license, cab card and tag, plate or sticker shall become void on January 1 next following the date of issue or, when determined by the commissioner, 12 months from the first day of the month of issue. Licenses and cab cards shall be carried in the motor truck and the tag, plate or sticker shall be affixed to the motor truck and at all times be visible and legible. For emergency purposes, the commissioner may by telegram, identifying the motor truck, authorize its operation without the attachment of a tag, plate or sticker for a period not to exceed 21 days from the date of issue of the license. The telegram must be kept with the truck while being so operated. This section shall not apply to motor trucks owned by federal, state, provincial, or municipal governments. [Repealed.]~~

* * *

Sec. 16. 23 V.S.A. § 3007 is amended to read:

§ 3007. DIESEL FUEL USER'S LICENSE

(a) In addition to any other provision of law relating to registration of motor vehicles, or fees paid therefore, a person owning or operating upon the highways of the state ~~State~~ a motor truck, ~~which that~~ is registered in the state, ~~using State and uses~~ fuel as defined in section 3002 of this title; shall, for each motor truck to be so operated, apply to the ~~commissioner~~ Commissioner for a diesel fuel user license, which shall be renewed at the time of renewal of the truck's registration. Application shall be made upon a form prescribed by ~~such commissioner~~ the Commissioner and shall set forth such information as the ~~commissioner~~ Commissioner may require. Applications filed at the time of the initial registration or renewal of a registration shall be accompanied by a \$6.50 annual license fee for each motor truck listed in the application, except that no fee shall be required for motor trucks with a gross weight of less than 26,001 pounds.

~~(b) In addition to any other provisions of law relating to registration of motor vehicles, or fees paid for registration, a person owning or operating upon the highways of the state a motor truck which is not base registered in this state, using fuel as defined in section 3002 of this title shall for each such~~

~~motor truck apply to the commissioner for a diesel fuel user license. Application shall be made upon a form prescribed by the commissioner and shall set forth such information as the commissioner may require. Except for motor trucks with a gross weight of less than 26,001 pounds, and vehicles licensed under section 415 of this title, the application for issuance of initial and renewal licenses shall be accompanied by a \$6.50 license fee for each motor truck listed in the application, the fee being for the cost of the license, cab card and tag, plate or sticker. The commissioner shall issue a license, cab card and an identification tag, plate or sticker for each motor truck which tag, plate or sticker shall be of the size and design and contain such information as the commissioner shall prescribe. Except as otherwise provided any license, cab card and tag, plate or sticker shall become void on each January 1 thereafter or, when determined by the commissioner, 12 months from the first day of the month of issue. Licenses and cab cards shall be carried in the motor vehicle and the tag, plate or sticker shall be affixed to the motor vehicle and at all times be visible and legible. [Repealed.]~~

(c) This section shall not apply to users' vehicles exempt from reporting requirements under section 3014 of this title or to users' vehicles exempt from taxation under ~~subdivisions~~ subdivision 3003(d)(3) and (5)(1)(C) of this title, or to users' vehicles that are being operated under the provisions of ~~sections~~ section 463 or 516 of this title.

* * * Total Abstinence; Out-of-State Applicants * * *

Sec. 17. 23 V.S.A. § 1209a(b) is amended to read:

(b) Abstinence.

(1) Notwithstanding any other provision of this subchapter, a person whose license has been suspended for life under this subchapter may apply to the Driver Rehabilitation School Director and to the Commissioner for reinstatement of his or her driving privilege. The person shall have completed three years of total abstinence from consumption of alcohol or drugs, or both. The beginning date for the period of abstinence shall be no sooner than the effective date of the suspension from which the person is requesting reinstatement and shall not include any period during which the person is serving a sentence of incarceration to include furlough. The application to the Commissioner shall be accompanied by a fee of \$500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.

(2) If the Commissioner, or a medical review board convened by the Commissioner, is satisfied by a preponderance of the evidence that the applicant has abstained for the required number of years immediately preceding the application and hearing, has successfully completed a therapy

program as required under this section, and the person appreciates that he or she cannot drink any amount of alcohol and drive safely, the person's license shall be reinstated immediately, subject to the condition that the person's suspension will be put back in effect in the event any further investigation reveals a return to the consumption of alcohol or drugs and to such additional conditions as the Commissioner may impose and, if the person has not previously operated for three years under an ignition interlock RDL, subject to the additional condition that the person shall operate under an ignition interlock restricted driver's license for a period of at least one year following reinstatement under this subsection. However, the Commissioner may waive this one-year requirement to operate under an ignition interlock restricted driver's license if the person furnishes proof as prescribed by the Commissioner that he or she is incapable of using an ignition interlock device because of a medical condition that will persist permanently or at least for one year.

* * *

(5) A person shall be eligible for reinstatement under this subsection only once following a suspension for life.

(6)(A) If an applicant for reinstatement under this subsection resides in a jurisdiction other than Vermont, the Commissioner may elect not to conduct an investigation. If the Commissioner elects not to conduct an investigation, he or she shall provide a letter to the applicant's jurisdiction of residence stating that Vermont does not object to the jurisdiction issuing the applicant a license if the applicant is authorized to operate only vehicles equipped with an ignition interlock device and is required to complete any alcohol rehabilitation or treatment requirements of the licensing jurisdiction.

(B) If the applicant's jurisdiction of residence is prepared to issue or has issued a license in accordance with subdivision (A) of this subdivision (6) and the applicant satisfies the requirements of section 675 of this title, the Commissioner shall update relevant State and federal databases to reflect that the applicant's lifetime suspension or revocation in Vermont under chapter 13, subchapter 13 of this title has terminated.

* * * Single Trip Permits * * *

Sec. 18. 23 V.S.A. § 1400 is amended to read:

§ 1400. PERMIT TO OPERATE IN EXCESS OF WEIGHT AND SIZE LIMITS; STATE HIGHWAYS

(a) A person or corporation owning or operating a traction engine, tractor, trailer, motor truck, or other motor vehicle that desires to operate it over state State highways or class 1 town highways in excess of the weight and size

limits provided by this subchapter shall ~~make application for such a permit to the commissioner of motor vehicles~~ apply to the Commissioner for a permit. In his or her discretion, with or without hearing, the ~~commissioner~~ Commissioner may issue to the person or corporation a permit authorizing the person to operate the traction engine, tractor, trailer, motor truck, or other motor vehicle upon ~~state~~ State highways and class 1 town highways as he or she may designate and containing the regulation subject to which the traction engine, tractor, trailer, motor truck, or other motor vehicle is to be operated. The permit shall not be granted until satisfactory proof is furnished to the ~~commissioner~~ Commissioner that the traction engine, tractor, trailer, motor truck, or other motor vehicle has been registered and the prescribed fee paid for a gross weight equal to a maximum legal load limit for its class. No additional registration fee shall be payable to authorize the use of the traction engine, tractor, trailer, motor truck, or other motor vehicle in accordance with the terms of the permit. The approval may be ~~given for a limited or unlimited length of time,~~ may be withdrawn for cause, and may be withdrawn without cause any time after March 31 next following the date of issuance. When approval is withdrawn for cause or on March 31, the ~~commissioner of motor vehicles~~ Commissioner shall forthwith revoke the permit; when approval is withdrawn otherwise he or she shall revoke the permit within one month.

* * *

Sec. 19. 23 V.S.A. § 1402 is amended to read:

§ 1402. OVERWEIGHT, WIDTH, HEIGHT, AND LENGTH PERMITS;
FEES

(a) Overweight, overwidth, indivisible overlength, and overheight permits. Overweight, overwidth, indivisible overlength, and overheight permits shall be signed by the Commissioner or by his or her agent and a copy shall be kept in the Office of the Commissioner or in a location approved by the Commissioner. Except as provided in subsection (c) of this section, a copy shall also be available in the towing vehicle and must be available for inspection on demand of a law enforcement officer. Before operating a traction engine, tractor, trailer, motor truck, or other motor vehicle, the person to whom a permit to operate in excess of the weight, width, indivisible overlength, and height limits established by this title is granted shall pay a fee of \$35.00 for each single trip permit or \$100.00 for a blanket permit, except that the fee for a fleet blanket permit shall be \$100.00 for the first unit and \$5.00 for each unit thereafter. At the option of a carrier, an annual permit for the entire fleet, to operate over any approved route, may be obtained for \$100.00 for the first tractor and \$5.00 for each additional tractor, up to a maximum fee of \$1,000.00. The fee for a fleet permit shall be based on the

entire number of tractors owned by the applicant. An applicant for a fleet permit may apply for any number of specific routes, each of which shall be reviewed with regard to the characteristics of the route and the type of equipment operated by the applicant. When the weight or size of the vehicle-load are considered sufficiently excessive for the routing requested, the Agency of Transportation shall, on request of the Commissioner, conduct an engineering inspection of the vehicle-load and route, for which a fee of \$300.00 will be added to the cost of the permit if the load is a manufactured home. For all other loads of any size or with gross weight limits less than 150,000 pounds, the fee shall be \$800.00 for any engineering inspection that requires up to eight hours to conduct. If the inspection requires more than eight hours to conduct, the fee shall be \$800.00 plus \$60.00 per hour for each additional hour required. If the vehicle and load weigh 150,000 pounds or more but not more than 200,000 pounds, the engineering inspection fee shall be \$2,000.00. If the vehicle and load weigh more than 200,000 pounds but not more than 250,000 pounds, the engineering inspection fee shall be \$5,000.00. If the vehicle and load weigh more than 250,000 pounds, the engineering inspection fee shall be \$10,000.00. The study must be completed prior to the permit being issued. Prior to the issuance of a permit, an applicant whose vehicle weighs 150,000 pounds or more, or is 15 or more feet in width or height, shall file with the Commissioner a special certificate of insurance showing minimum coverage of \$250,000.00 for death or injury to one person, \$500,000.00 for death or injury to two or more persons, and \$250,000.00 for property damage, all arising out of any one ~~accident~~ crash.

(b) Overlength permits. Except as provided in subsections 1432(c) and (e) of this title, it shall be necessary to obtain an overlength permit as follows:

(1) For vehicles with a trailer or semitrailer longer than 75 feet anywhere in the State on highways approved by the Agency of Transportation. In such cases, the vehicle may be operated with a single trip overlength permit issued by the Department of Motor Vehicles for a fee of \$25.00. If the vehicle is 100 feet or more in length, the permit applicant shall file with the Commissioner of Motor Vehicles, a special certificate of insurance showing minimum coverage of \$250,000.00 for death or injury to one person, \$500,000.00 for death or injury to two or more persons, and \$250,000.00 for property damage, all arising out of any one ~~accident~~ crash.

(2) Notwithstanding the provisions of this section, the Agency of Transportation may erect signs at those locations where it would be unsafe to operate vehicles in excess of 68 feet in length.

* * *

~~(d) Permit for shipment of mobile or manufactured homes.—The Commissioner may from time to time designate a specific route as being pre-approved for the shipment of mobile or manufactured homes which are greater than 14 feet but not greater than 16 feet in overall width. Any person to whom a permit is issued under subsection (a) of this section, to transport a mobile or manufactured home which is greater than 14 feet but not greater than 16 feet overall width, over routes that have been pre-approved shall pay in lieu of the fees established in that subsection, a single trip permit fee of \$40.00. [Repealed.]~~

* * *

(f) A single trip permit issued under this section shall be valid for seven business days.

* * * Diesel Fuel Sales Reporting * * *

Sec. 20. 23 V.S.A. § 3014(a) is amended to read:

(a) Every distributor or dealer, on or before the ~~last~~ 25th day of each month, shall file with the ~~commissioner~~ Commissioner on forms prescribed by him or her a report for the preceding month which shall include the number of gallons of fuel sold or delivered. A distributor's report shall also include the identity of the person to whom the fuel was sold or delivered, the amount of the tax collected and by whom, and the monthly total of fuel sold or delivered. The report shall be filed even though no fuel was sold or delivered.

* * * Gasoline Distributor Bond Requirement * * *

Sec. 21. 23 V.S.A. § 3102 is amended to read:

§ 3102. LICENSING AND BONDING OF DISTRIBUTORS

(a) Before commencing business, on application, a distributor shall first procure a license from the ~~commissioner of motor vehicles~~ Commissioner permitting him or her to continue or to engage in business as a distributor. Before the ~~commissioner~~ Commissioner issues a license, the distributor shall file with the ~~commissioner~~ Commissioner a surety bond in a ~~sum and~~ form and with sureties as the ~~commissioner~~ Commissioner may require ~~in for~~ a sum based on an estimate of the tax liability for a two-month period, but not to exceed \$400,000.00 \$700,000.00, conditioned upon the issuance of the report, and the payment of the tax and, penalties, and fines provided in this subchapter. Upon approval of the application and bond, the ~~commissioner~~ Commissioner shall issue to the distributor a nonassignable license which shall continue in force until surrendered or revoked.

(b)(1) The amount of the surety bonds required shall be reviewed annually in September. ~~The minimum~~ If the Commissioner retains or reimposes a bond

requirement, the amount required shall be the sum of the highest two months' payment during the preceding year or \$1,000.00, whichever is greater, but in no case shall it exceed \$400,000.00 \$700,000.00. For new licenses, the bond amount shall be based on an estimate of the tax liability for a two month period.

(2) A distributor may request release or reduction of the bond if the distributor has complied with all licensing and reporting requirements for at least the last three consecutive years. If the Commissioner determines that release or reduction of the bond will not unreasonably jeopardize State revenues, the bond shall be released or reduced, notwithstanding subdivision (1) of this subsection. Upon a finding to the contrary, the Commissioner shall retain the bond. If a bond is released or reduced under this subdivision, the Commissioner may reimpose a bond or increase the bond in accordance with subdivision (1) of this subsection if he or she determines that a material change in circumstances has occurred and State revenues will be unreasonably jeopardized without the reimposition or increase. A distributor aggrieved by a decision of the Commissioner to retain, reimpose, or increase a bond may request a hearing, which shall be conducted in accordance with sections 105–107 of this title, and appeals shall be governed by section 3115 of this chapter.

(c) The amount of the bonds as established in accordance with subsection (b) of this section shall be increased whenever the commissioner deems it necessary to protect the revenues of the state. In addition Notwithstanding the limits established in subsection (b) of this section, if payments and reports are delinquent for more than 10 days for more than one reporting period in a calendar year, the bond amount shall be increased to be the sum of the tax liability for the highest four months of the year. A distributor aggrieved by a decision of the Commissioner to increase the bond under this subsection may request a hearing, which shall be conducted in accordance with sections 105–107 of this title, and appeals shall be governed by section 3115 of this chapter.

* * *

* * * Trails Maintenance Assessments * * *

Sec. 22. 23 V.S.A. § 3202 is amended to read:

§ 3202. REGISTRATION AND TMA DECAL REQUIRED; EXCEPTIONS

(a) Registration and decal required. A person shall not operate a snowmobile in this State unless it is registered and numbered by the State of Vermont or another state or province and displays a valid Vermont ~~trails maintenance assessment~~ (“TMA”) Trails Maintenance Assessment (TMA)

decal adjacent to the registration decal on the left side of the snowmobile in accordance with this chapter, except when operated:

- (1) ~~on~~ On the property of the owner of the snowmobile;~~or.~~
- (2) ~~off~~ Off the highway, in a ski area while being used for the purpose of packing snow, or in rescue operations;~~or.~~
- (3) ~~for~~ For official use by a federal, ~~state~~ State, or municipal agency and only if the snowmobile is identified with the name or seal of the agency in a manner approved by the Commissioner;~~or.~~
- (4) ~~solely~~ Solely on privately owned land when the operator has the written consent of the owner, or his or her agent, of the property;~~or.~~
- (5) ~~on~~ On frozen bodies of water as designated by the Agency of Natural Resources under the provisions of 10 V.S.A. § 2607. For purposes of this subdivision, a snowmobile shall not be required to display a ~~trails maintenance assessment~~ TMA decal if not operating on a portion of the Statewide Snowmobile Trail System. Liability insurance as provided for in subdivision 3206(b)(19) of this title and a valid registration decal are required;~~or.~~
- (6) ~~for~~ For emergency use by fire service personnel.
- (7) By a person who possesses a completed TMA form processed electronically and either printed out or displayed on a portable electronic device. The printed or electronic TMA form shall be valid for 10 days after the electronic transaction. Use of a portable electronic device to display a completed TMA form does not in itself constitute consent for an enforcement officer to access other contents of the device.

* * *

* * * Allocation of Snowmobile Registration Proceeds * * *

Sec. 23. 23 V.S.A. § 3214 is amended to read:

§ 3214. ALLOCATION OF FEES AND PENALTIES; LIABILITY INSURANCE; AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT SERVICES

(a) The amount of \$5.00 from the sale of every resident and nonresident snowmobile registration shall be allocated to the ~~transportation fund~~ Transportation Fund. The balance of fees and penalties collected under this subchapter, except interest, shall be remitted to the ~~agency of natural resources~~ Agency of Natural Resources, which may retain for its use up to \$11,500.00 during each fiscal year for the oversight of the ~~state snowmobile trail program~~ State Snowmobile Trail Program, and the remainder shall be allocated to VAST for:

(1) ~~development~~ Development and maintenance of the ~~state snowmobile trail program~~ State Snowmobile Trail Program (SSTP);

(2) ~~procuring~~ Procuring trails' liability insurance in accordance with subsection (b) of this section, ~~and~~.

(3) ~~contracting~~ Contracting for law enforcement services with any constable, sheriff's department, municipal police department, the ~~department of public safety~~ Department of Public Safety, ~~and or the department of fish and wildlife for purposes of trail compliance pursuant to~~ Department of Fish and Wildlife to ensure compliance with the provisions of this chapter. The allocation for snowmobile law enforcement services shall be an amount equal to \$5.00 from the sale of every resident and nonresident snowmobile registration, ~~and~~. If this allocation for law enforcement services is not fully expended, the unexpended amount carried forward may be used to purchase capital equipment to aid law enforcement in the provision of services. VAST shall be included include proposed spending on law enforcement services and on capital equipment as a part of the annual expenditure plan required by section 3215 of this chapter. The departments of public safety and fish and wildlife Departments of Public Safety and of Fish and Wildlife are authorized to contract with VAST to provide these law enforcement services.

* * *

(d) Any fees and penalties allocated pursuant to subsection (a) of this section shall not revert but shall be available until spent. Any accrued interest shall be deposited in the ~~transportation fund~~ Transportation Fund.

* * * Commercial Motor Vehicles; Serious Traffic Violations * * *

Sec. 24. 23 V.S.A. § 4103(16) is amended to read:

(16) "Serious traffic violation" means a conviction; when operating a commercial motor vehicle; ~~or, if applicable,~~ when operating a noncommercial motor vehicle when the conviction results in the revocation, cancellation, or suspension of the operator's license or operating privilege, of:

* * *

(J) using a handheld mobile telephone while driving a commercial motor vehicle in violation of section 4125 of this chapter.

* * * Commercial Motor Vehicles; Disqualifications * * *

Sec. 25. 23 V.S.A. § 4116(k) is amended to read:

(k) A person shall be disqualified for a term concurrent with any disqualification or suspension issued by the administrator of the Federal Motor Carrier Safety Administration ~~pursuant to 49 C.F.R. § 383.52.~~

* * * Vermont Strong Plates * * *

Sec. 26. 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, is amended to read:

Sec. 1. VERMONT STRONG MOTOR VEHICLE PLATES

* * *

(c) Use. An approved Vermont Strong commemorative plate may be displayed on a motor vehicle registered in Vermont as a pleasure car or on a motor truck registered in Vermont for less than 26,001 pounds (but excluding vehicles registered under the International Registration Plan) by covering the front registration plate with the commemorative plate any time from the effective date of this act until June 30, ~~2014~~ 2016. The regular front registration plate shall not be removed. The regular rear registration plate shall be in place and clearly visible at all times.

(d) Price and allocation of revenue. The retail price of the plate shall be \$25.00, except that on or after July 1, 2016, plates may be sold by the Commissioner for \$5.00. Funds received from the sale of plates for \$5.00 shall be allocated to the Department; funds received from the sale of the plates for \$25.00 shall be allocated as follows:

- (1) \$5.00 to the ~~department~~ Department;
- (2) \$18.00 to the Vermont Disaster Relief Fund; and
- (3) \$2.00 to the Vermont Foodbank.

* * *

* * * Nonresident Registration; Repeals * * *

Sec. 27. REPEAL

The following sections of Title 23 are repealed:

- (1) § 417 (motor truck trip permits);
- (2) § 418 (collection of tax; regulations);
- (3) § 419 (reciprocal agreements for waiver of motor truck permit fees);
- (4) § 422 (motor bus identification marker).

Sec. 28. 23 V.S.A. § 421 is amended to read:

§ 421. PENALTIES

(a) It shall be unlawful for any person:

(1) to operate a motor truck subject to the provisions of this chapter upon any public highway in the ~~state~~ State without first obtaining the license;

~~emergency telegram, or single trip license and tag, plate, or marker required under section 415 of this title or to so operate without carrying the license, emergency telegram or single trip license and displaying the tag, plate, or marker if issued;~~

(2) ~~to violate any regulation issued by the commissioner pursuant to the authority granted hereunder; [Repealed.]~~

(3) ~~to fail to file any return or report required by said commissioner~~ the Commissioner; or

(4) ~~to make a false return or fail to keep records of operations as may be required by the commissioner; or~~

(5) ~~to operate a motor bus subject to the provisions of this chapter upon any public highway in the state without first obtaining the marker or single trip permit required under section 422 of this title or to so operate without displaying said marker or without the single trip permit with the vehicle Commissioner.~~

* * *

* * * Dealer Plates * * *

Sec. 29. 23 V.S.A. § 453 is amended to read:

§ 453. FEES AND NUMBER PLATES

(a)(1) An application for dealer's registration shall be accompanied by a fee of \$370.00 for each certificate issued in such dealer's name. The Commissioner shall furnish free of charge with each dealer's registration certificate ~~five sets of~~ three number plates showing the distinguishing number assigned such dealer. ~~In his or her discretion, he or she~~ The Commissioner may furnish further sets of additional plates at a fee of \$40.00 per set according to the volume of the dealer's sales in the prior year or, in the case of an initial registration, according to the dealer's reasonable estimate of expected sales, as follows:

(A) under 20 sales: 0 additional plates;

(B) 20-49 sales: 1 additional plate;

(C) 50-99 sales: up to 5 additional plates;

(D) 100-249 sales: up to 12 additional plates;

(E) 250-499 sales: up to 17 additional plates;

(F) 500-749 sales: up to 27 additional plates;

(G) 750-999 sales: up to 37 additional plates;

(H) 1,000–1,499 sales: up to 47 additional plates;

(I) 1,500 or more: up to 57 additional plates.

(2) If the issuance of additional plates is authorized under subdivision (1) of this subsection, up to two plates shall be provided free of charge, and the Commissioner shall collect \$40.00 for each additional plate thereafter.

* * *

Sec. 30. TRANSITION PROVISION; DEALER PLATES

The Commissioner may enforce compliance with Sec. 29 of this act on a rolling basis as dealer registrations expire over the 24-month period following the effective date of Sec. 29 of this act. Over this 24-month period, upon receiving the renewal application of a dealer who has been issued plates in excess of the limits established in 23 V.S.A. § 453(a)(1), the Commissioner shall require the dealer to return plates that exceed the limits established in 23 V.S.A. § 453(a)(1).

Sec. 31. MORATORIUM ON ISSUANCE OF DEALER PLATES; REPEAL

(a) Except for replacement of damaged dealer plates, no dealer registration plates may be issued under 23 V.S.A. § 453(a) to an existing dealer in addition to the number of plates already issued to that dealer, unless the dealer would be eligible for additional plates under 23 V.S.A. § 453(a) as amended by Sec. 29 of this act.

(b) This section shall be repealed on July 1, 2014.

Sec. 32. STUDY OF USE OF DEALER PLATES ON TOWING VEHICLES

(a) The Commissioner of Motor Vehicles shall study the use of dealer plates on towing service vehicles and formulate recommendations as to whether the existing law authorizing such use should be repealed, amended, or retained in its existing form. In conducting this study, the Commissioner shall review the laws of other jurisdictions and consult with interested persons, including a cross-section of dealers.

(b) On or before January 15, 2015, the Commissioner shall report his or her findings and recommendations to the House and Senate Committees on Transportation.

* * * Recognition of Licenses Issued by Foreign Jurisdictions * * *

Sec. 33. 23 V.S.A. § 601(a)–(c) are amended to read:

(a)(1) ~~A resident who intends to operate motor vehicles shall procure a proper license~~ Except as otherwise provided by law, a resident shall not operate a motor vehicle on a highway in Vermont unless he or she holds a

valid license issued by the State of Vermont. A new resident who has moved into the State from another jurisdiction with and who holds a valid license to operate motor vehicles under section 411 of this title shall procure a Vermont license within 60 days of moving into to the State. Operators' Except as provided in subsection 603(d) of this title, licenses shall not be issued to nonresidents.

(2) In addition to any other requirement of law, a nonresident as defined in section 4 of this title shall not operate a motor vehicle on a Vermont highway unless:

(A) he or she holds a valid license or permit to operate a motor vehicle issued by another U.S. jurisdiction; or

(B) he or she holds a valid license or permit to operate a motor vehicle from a jurisdiction outside the United States and:

(i) is 18 or more years of age, is lawfully present in the United States, and has been in the United States for less than one year;

(ii) the jurisdiction that issued the license is a party to the 1949 Convention on Road Traffic or the 1943 Convention on the Regulation of Inter-American Motor Vehicle Traffic; and

(iii) he or she possesses an international driving permit.

(b) All operator licenses issued under this chapter shall expire every four years at midnight on the eve of the second or fourth anniversary of the date of birth of the applicant at the end of the term for which following the date they were issued. All junior operator licenses shall expire at midnight on the eve of the second anniversary of the date of birth of the applicant at the end of the term for which following the date they were issued. A person born on February 29 shall, for the purposes of this section, be considered as born on March 1.

(b)(c) The Commissioner shall, at At least 30 days before the birth anniversary of each operator licenseholder on which the a license is scheduled to expire and biennially for each junior operator licenseholder, the Commissioner shall mail first class, to the licensee an application for renewal of the license. A person shall not operate a motor vehicle unless properly licensed.

(e) Notwithstanding the provisions of this section, a licensee may request a two-year license renewal.

* * * Autocycles * * *

Sec. 34. 23 V.S.A. § 4(18) is amended to read:

(18)(A) “Motorcycle” shall mean any motor ~~driven~~ vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, and shall include autocycles but excluding ~~exclude~~ motor-driven cycles, golf carts, track driven vehicles, tractors, and electric personal assistive mobility devices, ~~and vehicles on which the operator and passengers ride within an enclosed cab, except that a vehicle which is fully enclosed, has three wheels in contact with the ground, weighs less than 1,500 pounds, has the capacity to maintain posted highway speed limits, and which uses electricity as its primary motive power shall be registered as a motorcycle but the operator of such vehicle shall not be required to have a motorcycle endorsement nor to comply with the provisions of section 1256 of this title (motorcycles headgear) in the operation of such a vehicle.~~

(B) “Autocycle” means a three-wheeled motorcycle:

(i) in which the occupants sit with their legs forward;

(ii) designed to be controlled with a steering wheel and pedals; and

(iii) equipped with safety belts for all occupants.

(C) “Fully enclosed autocycle” means an autocycle equipped with a windshield and that has full top and side enclosures capable of supporting the vehicle’s weight and protecting the occupants when the vehicle is resting on the enclosures.

Sec. 35. 23 V.S.A. § 601(f) is added to read:

(f) Operators of autocycles shall be exempt from the requirements to obtain a motorcycle learner’s permit or a motorcycle endorsement.

Sec. 36. 23 V.S.A. § 1114(b) is amended to read:

(b) A person shall ride upon a motorcycle or motor-driven cycle only while sitting astride the seat, facing forward, with one leg on each side of the motorcycle or motor-driven cycle. The requirement of this subsection shall not apply to occupants of autocycles or of side-cars.

Sec. 37. 23 V.S.A. § 1256 is amended to read:

§ 1256. MOTORCYCLES—HEADGEAR

A person may not operate or ride upon a motorcycle upon a highway unless he or she properly wears protective headgear of a type that conforms to the federal Motor Vehicle Safety Standards contained in 49 C.F.R. § 571.218 ~~and~~

~~any amendment or addition to the regulations that may be adopted by the U.S. Secretary of Transportation, as may be amended. The requirement of this section shall not apply to occupants of fully enclosed autocycles.~~

* * * Inspection Mechanics * * *

Sec. 38. 23 V.S.A. § 1227 is amended to read:

§ 1227. CERTIFIED INSPECTION MECHANICS

(a) Periodic inspections may be performed only by mechanics who have been certified by the ~~commissioner~~ Commissioner; provided that an uncertified person employed as an inspection mechanic may perform inspections during the first 30 days that he or she is employed by the inspection station.

(b) A person who applies for certification under this section shall:

(1) complete an application form prescribed by the ~~commissioner~~, shall Commissioner;

(2) be at least 18 years of age, ~~and shall~~; and

(3) pass an examination based on the official inspection manual for each type of vehicle to be inspected-

~~(c) Applicants for certification under this section shall be examined and~~ on the inspection requirements for each type of vehicle to be inspected.

~~(c) Upon satisfactory completion of the examination, the commissioner an applicant's satisfaction of the requirements of subsection (b) of this section, the Commissioner shall issue a certification which shall remain in effect for a period of five years or until surrendered, suspended, or revoked. Inspection mechanics certified by their employer as competent to perform inspections and who were continuously employed by one or more designated inspection stations for a period of at least one year at any time prior to July 1, 1998 shall not be required to take the examination.~~

~~(d) To inspect a school bus, a certified inspection mechanic shall not be required to have a commercial driver license if he or she:~~

~~(1) uses approved automated brake testing equipment in lieu of an inspection road test; or~~

~~(2) only operates the school bus at a safe location that is not a highway as defined in 19 V.S.A. § 1(12) as necessary to conduct an inspection road test.~~

* * * Use of a Portable Electronic Device While Driving * * *

Sec. 39. 23 V.S.A. § 4(82) is amended to read:

(82) "Portable electronic device" means a portable electronic or

computing device, including a cellular telephone, personal digital assistant (PDA), or laptop computer. “Portable electronic device” does not include a two-way or Citizens Band radio, or equipment used by a licensed Amateur Radio operator in accordance with 47 C.F.R. part 97.

Sec. 40. 23 V.S.A. § 1095b is amended to read:

§ 1095b. ~~HANDHELD USE OF PORTABLE ELECTRONIC DEVICE IN~~
~~WORK ZONE PROHIBITED~~

(a) Definition. As used in this section, “hands-free use” means the use of a portable electronic device without use of either hand ~~and outside the immediate proximity of the user’s ear~~, by employing an internal feature of, or an attachment to, the device.

(b) Use of handheld portable electronic device ~~in work zone~~ prohibited. A person shall not use a portable electronic device while operating a moving motor vehicle ~~within on a highway work zone in Vermont~~. The prohibition of this subsection shall not apply ~~unless the work zone is properly designated with warning devices in accordance with subdivision 4(5) of this title, and shall not apply:~~

(1) to hands-free use; ~~or~~

(2) to activation or deactivation of hands-free use, as long as the device is in a cradle or otherwise securely mounted in the vehicle and the cradle or other accessory for secure mounting is not affixed to the windshield in violation of section 1125 of this title;

~~(2)(3)~~ when use of a portable electronic device is necessary for a person to communicate with law enforcement or emergency service personnel under emergency circumstances; or

(4) to use of an ignition interlock device, as defined in section 1200 of this title.

(c) ~~Penalty~~ Penalties.

(1) A person who violates this section commits a traffic violation and shall be subject to a ~~penalty~~ fine of not less than \$100.00 and not more than \$200.00 ~~upon adjudication of~~ for a first violation, and of not less than \$250.00 and not more than \$500.00 ~~upon adjudication of~~ for a second or subsequent violation within any two-year period.

(2) A person convicted of violating this section while operating within a properly designated work zone in which construction, maintenance, or utility personnel are present shall have two points assessed against his or her driving

record for a first conviction and five points assessed for a second or subsequent conviction.

(3) A person convicted of violating this section outside a work zone in which personnel are present shall not have points assessed against his or her driving record for a first conviction, and shall have two points assessed for a second or subsequent conviction within a two-year period.

(d)(1) Operators of commercial motor vehicles shall be governed by the provisions of chapter 39 of this title (Commercial Driver License Act) instead of the provisions of this chapter with respect to the handheld use of mobile telephones and texting while operating a commercial motor vehicle.

(2) A person shall not be issued more than one complaint for any violation of this section, section 1095a of this title (junior operator use of portable electronic devices), or section 1099 of this title (texting prohibited) that arises from the same incident.

Sec. 41. 23 V.S.A. § 2502 is amended to read:

§ 2502. POINT ASSESSMENT; SCHEDULE

(a) Any person operating a motor vehicle shall have points assessed against his or her driving record for convictions for moving violations of the indicated motor vehicle statutes in accord with the following schedule: (All references are to Title 23 of the Vermont Statutes Annotated.)

(1) Two points assessed for:

* * *

(LL)(i)	§ 1095.	Entertainment picture visible to operator;
(ii)	§ 1095b(c)(2).	Use of portable electronic device in work zone—first offense;
(iii)	<u>§ 1095b(c)(3).</u>	<u>Use of portable electronic device outside work zone—second or subsequent offense within a two-year period;</u>

* * *

(4) Five points assessed for:

* * *

(D)	§ 1095b(c)(2).	Use of portable electronic device in work zone—second and subsequent offenses;
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* * *

Sec. 42. 23 V.S.A. § 1095a is amended to read:

§ 1095a. JUNIOR OPERATOR USE OF PORTABLE ELECTRONIC DEVICES

A person under 18 years of age shall not use any portable electronic device as defined in subdivision 4(82) of this title while operating a moving motor vehicle on a highway. This prohibition shall not apply if it is necessary to place an emergency 911 call when use of a portable electronic device is necessary for a person to communicate with law enforcement or emergency service personnel under emergency circumstances.

* * * Effective Dates * * *

Sec. 43. EFFECTIVE DATES

(a) This section, Sec. 10 (credits for and substitution of privilege cards), and Sec. 31 (moratorium on issuance of dealer plates) shall take effect on passage.

(b) Sec. 11 shall take effect on January 1, 2015. The obligation to provide proof of insurance shall apply to all policies delivered, issued for delivery, or renewed in this State on or after January 1, 2015. The obligation to provide notice of cancellation or nonrenewal shall apply to all cancellations or nonrenewals on or after January 1, 2015.

(c) Secs. 39–42 (use of portable electronic device while driving) shall take effect on October 1, 2014.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Campbell, the Senate postponed action until three o'clock and thirty minutes this afternoon.

Rules Suspended; Bills Messaged

On motion of Senator Campbell, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 308, H. 225, H. 497, H. 790, H. 877.

Adjournment

On motion of Senator Campbell, the Senate adjourned until three o'clock and thirty minutes in the afternoon.

Afternoon

The Senate was called to order by the President.

Consideration Resumed; House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 314.

Consideration was resumed on Senate bill entitled:

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Flory, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 552.

House bill entitled:

An act relating to raising the Vermont minimum wage.

Was taken up.

Thereupon, pending third reading of the bill, Senator Galbraith moved to amend the Senate proposal of amendment by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and, beginning on January 1, 2007, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. Beginning on January 1, 2015, an employer who employs 50 or more employees or whose parent company employs 50 or more employees shall not employ any employee at an hourly rate of less than \$10.10, and beginning on January 1, 2016 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage~~

increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than ~~\$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate one-half the minimum wage.~~ For the purposes of As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the ~~United States~~ U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the ~~United States~~ U.S. government.

* * *

Which was disagreed to on a roll call, Yeas 10, Nays 18.

Senator Galbraith having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Benning, Galbraith, Hartwell, MacDonald, McCormack, Pollina, Sears, Sirotkin, Zuckerman.

Those Senators who voted in the negative were: Ayer, Baruth, Bray, Campbell, Cummings, Doyle, Flory, French, Lyons, Mazza, McAllister, Mullin, Nitka, Rodgers, Snelling, Starr, Westman, White.

Those Senators absent and not voting were: Collins, Kitchel.

Thereupon, Senator Flory moved that the Senate proposal of amendment be amended by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 21 V.S.A. § 384 is amended to read:

§ 384. EMPLOYMENT; WAGES

(a) An employer shall not employ ~~an~~ any employee at a rate of less than ~~\$7.25, \$9.15.~~ Beginning January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning January 1, 2017, an employer

shall not employ any employee at a rate of less than \$10.00. Beginning January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and, beginning January 1, 2007, 2019 and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01. An employer may require a 12-week probationary period for new hires. During this probationary period, an employer shall not employ any employee at a rate of less than 85 percent of the minimum wage. An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than ~~\$3.65 an hour, and beginning January 1, 2008, and on each January 1 thereafter, this basic tip wage rate shall be increased at the same percentage rate as the minimum wage rate~~ one-half the minimum wage. For the purposes of As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service. If the minimum wage rate established by the ~~United States~~ U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the ~~United States~~ U.S. government.

* * *

Which was disagreed to on a roll call, Yeas 4, Nays 22.

Senator Galbraith having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Flory, Mazza, McAllister, Westman.

Those Senators who voted in the negative were: Ashe, Baruth, Benning, Bray, Cummings, Doyle, French, Galbraith, Hartwell, Lyons, MacDonald, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, White, Zuckerman.

Those Senators absent and not voting were: Ayer, Campbell, Collins, Kitchel.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Proposals of Amendment; Consideration Postponed

H. 413.

Senator Sears, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to the Uniform Collateral Consequences of Conviction Act.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec.1, 13 V.S.A. § 8002 subdivision (7), by striking out the sentence in its entirety and inserting in lieu thereof the following: “Offense” means any offense that is not a listed crime as defined in section 5301 of this title.

Second: In Sec. 1, 13 V.S.A. § 8003, by inserting a subsection (c) to read:

(c) This chapter shall only apply to a person charged with or convicted of an offense that is not a listed crime as defined in section 5301 of this title.

Third: In Sec. 1, 13 V.S.A. § 8012, by striking out subdivision (4) in its entirety.

Fourth: In Sec. 1, 13 V.S.A. § 8013(d), by striking out the sentence “The Court shall maintain a public record of the issuance and modification of orders of limited relief and certificates of restoration of rights.”

Fifth: By striking out Sec. 2 in its entirety and inserting in lieu thereof the following Secs. 2 and 3:

Sec. 2. 2009 Acts and Resolves No. 58, Sec. 14, as amended by 2010 Acts and Resolves No. 66, Sec. 3, is further amended to read:

Sec. 14. 13 V.S.A. § 5411a is amended to read:

§ 5411a. ELECTRONIC POSTING OF THE SEX OFFENDER REGISTRY

* * *

(b) The ~~department~~ Department shall electronically post the following information ~~on~~ regarding sex offenders designated in subsection (a) of this section:

- (1) the offender’s name and any known aliases;
- (2) the offender’s date of birth;
- (3) a general physical description of the offender;
- (4) a digital photograph of the offender;
- (5) the offender’s town of residence;

(6) the date and nature of the offender's conviction;

(7) except as provided in subsection (l) of this section, the offender's address or, if the offender does not have a fixed address, other information about where the offender habitually lives, if:

(A) the offender has been designated as high risk by the Department of Corrections pursuant to section 5411b of this title;

(B) the offender has not complied with sex offender treatment;

(C) there is an outstanding warrant for the offender's arrest;

(D) the offender is subject to the Registry for a conviction of a sex offense against a child under 13 years of age; or

(E) the offender's name has been electronically posted for an offense committed in another jurisdiction which required the person's address to be electronically posted in that jurisdiction;

(8) if the offender is under the supervision of the Department of Corrections, the name and telephone number of the local Department of Corrections office in charge of monitoring the sex offender;

~~(8)~~(9) whether the offender complied with treatment recommended by the Department of Corrections;

~~(9)~~(10) a statement that there is an outstanding warrant for the offender's arrest, if applicable;

~~(10)~~(11) the reason for which the offender information is accessible under this section;

~~(11)~~(12) whether the offender has been designated ~~high-risk~~ high risk by the Department of Corrections pursuant to section 5411b of this title; and

~~(12)~~(13) if the offender has not been subject to a risk assessment, a statement that the offender has not been so assessed and that such a person is presumed to be high risk, provided that the Department of Corrections shall permit a person subject to this subdivision to obtain a risk assessment at the person's own expense.

* * *

(d) ~~An offender's street address shall not be posted electronically.~~ The identity of a victim of an offense that requires registration shall not be released.

* * *

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage except for Sec. 1 (collateral consequences of conviction) which shall take effect on July 1, 2015.

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Judiciary?, on motion of Senator Baruth consideration of the bill was postponed until later in the day.

Proposal of Amendment; Third Reading Ordered**H. 661.**

Senator Baruth, for the Committee on Economic Development, Housing and General Affairs, to which was referred House bill entitled:

An act relating to exhumation requirements and notice.

Reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 18 V.S.A. § 5212 is amended to read:

§ 5212. PERMIT TO REMOVE DEAD BODIES; NOTICE

* * *

(b) An applicant for a removal permit shall publish notice of his or her intent to remove the remains. This notice shall be published for two successive weeks in a newspaper of general circulation in the municipality in which the body is interred or entombed. The notice shall include a statement that the spouse, child, parent, sibling, or descendant of the deceased, or that the ~~cemetary commissioner~~ Cemetery Commissioner or other municipal authority responsible for cemeteries in the municipality may object to the proposed removal by filing a complaint in the ~~probate division of the superior court~~ Probate Division of the Superior Court of the district in which the body is located as provided in section 5212a of this title. In addition to the published notice, an applicant for a removal permit shall notify directly, by certified mail, the town clerk in the municipality in which the body is interred or entombed and:

(1) the person who buried the deceased, if that person was a relative of the deceased; and

(2)(A) the surviving spouse of the deceased, if any; and

(B) all surviving adult children of the deceased.

* * *

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

House Proposal of Amendment Concurred In

S. 291.

House proposal of amendment to Senate bill entitled:

An act relating to the establishment of transition units at State correctional facilities.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. TRANSITIONAL FACILITIES; DEPARTMENT OF CORRECTIONS; STUDY

(a) Findings. The General Assembly finds that the Department of Corrections has experienced a rise in costs of \$17,624,076.00 since FY 2012. The General Assembly further finds that there are offenders in the State of Vermont who are eligible for release from State correctional facilities but who are not released due to a lack of suitable housing. The General Assembly further finds that recidivism is reduced and public safety is enhanced when offenders receive supervision as they transition to their home community. Therefore, it is the intent of the General Assembly that the Department of Corrections shall explore the creation of secure transitional facilities so that offenders may return to their home communities. It is also the intent of the General Assembly that the housing in these facilities include programs for employment, training, transportation, and other appropriate services. It is also the intent of the General Assembly that the Department of Corrections work with communities to gain support for these programs and services.

(b) Recommendations. The Commissioner of Corrections shall examine and make recommendations for the establishment of transitional facilities

under the supervision of the Department of Corrections. The recommendations shall include an evaluation of costs associated with establishing transitional facilities, a detailed budget for funding transitional facilities, an estimate of State capital funding needs, potential site locations, a summary of the programming and services that are currently available to transitioning offenders, proposals for programming and services for transitioning offenders that may be needed, and eligibility guidelines for offenders to reside in transitional facilities, including the number of offenders who would be eligible for residence in a transitional facility.

(c) Report. On or before January 15, 2015, the Commissioner of Corrections shall submit the recommendations described in subsection (b) of this section to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(d) Definitions. As used in this section, "transitional facility" means housing intended to be occupied by offenders granted furloughs to work in the community.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Recess

On motion of Senator Baruth the Senate recessed until 5:00 P.M.

Called to Order

The Senate was called to order by the President.

Consideration Resumed; Proposal of Amendment; Third Reading Ordered

H. 413.

Consideration was resumed on House bill entitled:

An act relating to the Uniform Collateral Consequences of Conviction Act.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Judiciary?, Senator Sears moved to substitute the proposal of amendment of the Committee on Judiciary with the following amendments thereto:

First: In Sec. 1, in subsection 8013(d), by striking out in its entirety the sentence "The Court shall maintain a public record of the issuance and modification of orders of limited relief and certificates of restoration of rights."

Second: In Sec. 1, by striking out section 8012 in its entirety and inserting in lieu thereof a new section 8012 to read:

§ 8012. DISCRETIONARY DISQUALIFICATIONS AND MANDATORY SANCTIONS NOT SUBJECT TO ORDER OF LIMITED RELIEF OR CERTIFICATE OF RESTORATION OF RIGHTS

(a) An order of limited relief or certificate of restoration of rights may not be issued to relieve the following mandatory sanctions:

(1) requirements imposed by chapter 167, subchapter 3 of this title (sex offender registration; law enforcement notification);

(2) a motor vehicle license suspension, revocation, limitation, or ineligibility pursuant to Title 23 for which restoration or relief is available; or

(3) ineligibility for employment by law enforcement agencies, including the Office of the Attorney General, State's Attorney, police departments, sheriff's departments, State Police, or the Department of Corrections.

(b) An order of limited relief or certificate of restoration of rights may not be issued to relieve a discretionary disqualification or mandatory sanction imposed due to:

(1) a conviction of a listed crime as defined in section 5301 of this title;
or

(2) a conviction of trafficking of regulated drugs pursuant to 18 VSA chapter 84.

Third: By striking out Sec. 2 in its entirety and inserting in lieu thereof the following Secs. 2-3:

Sec. 2. 2009 Acts and Resolves No. 58, Sec. 14, as amended by 2010 Acts and Resolves No. 66, Sec. 3, is further amended to read:

Sec. 14. 13 V.S.A. § 5411a is amended to read:

§ 5411a. ELECTRONIC POSTING OF THE SEX OFFENDER REGISTRY

* * *

(b) The ~~department~~ Department shall electronically post the following information ~~on~~ regarding sex offenders designated in subsection (a) of this section:

(1) the offender's name and any known aliases;

(2) the offender's date of birth;

(3) a general physical description of the offender;

- (4) a digital photograph of the offender;
- (5) the offender's town of residence;
- (6) the date and nature of the offender's conviction;
- (7) except as provided in subsection (1) of this section, the offender's address or, if the offender does not have a fixed address, other information about where the offender habitually lives, if:

(A) the offender has been designated as high risk by the Department of Corrections pursuant to section 5411b of this title;

(B) the offender has not complied with sex offender treatment;

(C) there is an outstanding warrant for the offender's arrest;

(D) the offender is subject to the Registry for a conviction of a sex offense against a child under 13 years of age; or

(E) the offender's name has been electronically posted for an offense committed in another jurisdiction which required the person's address to be electronically posted in that jurisdiction;

(8) if the offender is under the supervision of the Department of Corrections, the name and telephone number of the local Department of Corrections office in charge of monitoring the sex offender;

~~(8)~~(9) whether the offender complied with treatment recommended by the Department of Corrections;

~~(9)~~(10) a statement that there is an outstanding warrant for the offender's arrest, if applicable;

~~(10)~~(11) the reason for which the offender information is accessible under this section;

~~(11)~~(12) whether the offender has been designated ~~high risk~~ high risk by the Department of Corrections pursuant to section 5411b of this title; and

~~(12)~~(13) if the offender has not been subject to a risk assessment, a statement that the offender has not been so assessed and that such a person is presumed to be high risk, provided that the Department of Corrections shall permit a person subject to this subdivision to obtain a risk assessment at the person's own expense.

* * *

(d) ~~An offender's street address shall not be posted electronically.~~ The identity of a victim of an offense that requires registration shall not be released.

* * *

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage except for Sec. 1 (collateral consequences of conviction) which shall take effect on July 1, 2015.

Which was agreed to.

Thereupon, the question, Shall Senate propose to the House to amend the bill as recommended by the Committee on Judiciary, as substituted?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

**House Proposal of Amendment to Senate Proposals of Amendment
Concurred In**

H. 483.

House proposal of amendment to Senate proposals of amendment to House bill entitled:

An act relating to adopting revisions to Article 9 of the Uniform Commercial Code.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment in Sec. 1, in 9A V.S.A. § 9-805(b)(2)(B), by striking out “2018” and inserting in lieu thereof 2019

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposals of amendment?, was decided in the affirmative.

House Proposal of Amendment Concurred In with Amendment

S. 239.

House proposal of amendment to Senate bill entitled:

An act relating to the regulation of toxic substances.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) There are more than 84,000 chemicals used commercially in the United States, and each year approximately 1,000 chemicals are added to the list of registered chemicals.

(2) More than 90 percent of the chemicals in commercial use in the United States have never been fully tested for potential impacts on human health or the environment.

(3) In 1976, the federal government passed the Toxic Substances Control Act (TSCA) in an attempt to improve the regulation of chemicals in the United States. However, TSCA grandfathered approximately 62,000 chemicals from regulation under the Act. Consequently, the U.S. Environmental Protection Agency (EPA) is not required to assess the risk of these chemicals. Since TSCA became law, EPA only has required testing for approximately 200 chemicals, and has banned or restricted the use of five of those chemicals. No chemicals have been banned in over 20 years.

(4) Biomonitoring studies reveal that toxic chemicals are in the bodies of people, including chemicals linked to cancer, brain and nervous damage, birth defects, developmental delays, and reproductive harm. Even newborn babies have chemical body burdens, proving that they are being polluted while in the womb.

(5) Vermont has regulated the use of individual chemicals of concern, including lead, mercury, bisphenol A, phthalates, decabromodiphenyl ether, tris(1,3-dichloro-2-propyl) phosphate, and tris(2-chloroethyl) phosphate, but reviewing chemicals individually, one at a time, is inefficient and inadequate for addressing the issues posed by chemicals of concern.

(6) Other states and countries, including Maine, Washington, California, and the European Union, are already taking a more comprehensive approach to chemical regulation in consumer products, and chemical regulation in Vermont should harmonize with these efforts.

(7) The State has experience monitoring and regulating chemical use through the toxic use and hazardous waste reduction programs.

(8) In order to ensure that the regulation of toxic chemicals is robust and protective, parties affected by the regulation of chemical use shall have ample opportunity to comment on proposed regulation so that the legal and financial risks of regulation are minimized.

Sec. 2. 18 V.S.A. chapter 38A is added to read:

CHAPTER 38A. CHEMICALS OF HIGH CONCERN TO CHILDREN

§ 1771. POLICY

It is the policy of the State of Vermont:

(1) to protect public health and the environment by reducing exposure of its citizens and vulnerable populations, such as children, to toxic chemicals, particularly when safer alternatives exist; and

(2) that the State attempt, when possible, to regulate toxic chemicals in a manner that is consistent with regulation of toxic chemicals in other states.

§ 1772. DEFINITIONS

As used in this chapter:

(1) "Aircraft" shall have the same meaning as in 5 V.S.A. § 202.

(2) "Chemical" means a substance with a distinct molecular composition or a group of structurally related substances and includes the breakdown products of the substance or substances that form through decomposition, degradation, or metabolism. "Chemical" shall not mean crystalline silica in any form, as derived from ordinary sand or as present as a naturally occurring component of any other mineral raw material, including granite, gravel, limestone, marble, slate, soapstone, and talc.

(3) "Chemical of high concern to children" means a chemical listed under section 1773 or designated by the Department as a chemical of high concern by rule under section 1776 of this title.

(4) "Child" or "children" means an individual or individuals under 12 years of age.

(5) "Children's cosmetics" means cosmetics that are made for, marketed for use by, or marketed to children. "Children's cosmetics" includes cosmetics that meet any of the following conditions:

(A) are represented in its packaging, display, or advertising as appropriate for use by children;

(B) are sold in conjunction with, attached to, or packaged together with other products that are packaged, displayed, or advertised as appropriate for use by children; or

(C) are sold in any of the following:

(i) a retail store, catalogue, or online website, in which a person exclusively offers for sale consumer products that are packaged, displayed, or advertised as appropriate for use by children; or

(ii) a discrete portion of a retail store, catalogue, or online website, in which a person offers for sale products that are packaged, displayed, or advertised as appropriate for use by children.

(6) “Children’s jewelry” means jewelry that is made for, marketed for use by, or marketed to children and shall include jewelry that meets any of the following conditions:

(A) is represented in its packaging, display, or advertising as appropriate for use by children;

(B) is sold in conjunction with, attached to, or packaged together with other products that are packaged, displayed, or advertised as appropriate for use by children;

(C) is sized for children and not intended for use by adults; or

(D) is sold in any of the following:

(i) a vending machine;

(ii) a retail store, catalogue, or online website, in which a person exclusively offers for sale products that are packaged, displayed, or advertised as appropriate for use by children; or

(iii) a discrete portion of a retail store, catalogue, or online website, in which a person offers for sale products that are packaged, displayed, or advertised as appropriate for use by children.

(7)(A) “Children’s product” means any consumer product, marketed for use by, marketed to, sold, offered for sale, or distributed to children in the State of Vermont, including:

(i) toys;

(ii) children’s cosmetics;

(iii) children’s jewelry;

(iv) a product designed or intended by the manufacturer to help a child with sucking or teething, to facilitate sleep, relaxation, or the feeding of a child, or to be worn as clothing by children; or

(v) child car seats.

(B) “Children’s product” shall not mean or include the following:

(i) batteries;

(ii) consumer electronic products, including personal computers, audio and video equipment, calculators, wireless phones, game consoles, and hand-held devices incorporating a video screen used to access interactive software intended for leisure and entertainment and their associated peripherals;

(iii) interactive software, intended for leisure and entertainment, such as computer games, and their storage media, such as compact discs;

(iv) snow sporting equipment, including skis, poles, boots, snow boards, sleds, and bindings;

(v) inaccessible components of a consumer product that during reasonably foreseeable use and abuse of the consumer product would not come into direct contact with a child's skin or mouth; and

(vi) used consumer products that are sold in second-hand product markets.

(8) "Consumer product" means any product that is regularly used or purchased to be used for personal, family, or household purposes. "Consumer product" shall not mean:

(A) a product primarily used or purchased for industrial or business use that does not enter the consumer product market or is not otherwise sold at retail;

(B) a food or beverage or an additive to a food or beverage;

(C) a tobacco product;

(D) a pesticide regulated by the U.S. Environmental Protection Agency;

(E) a drug, or biologic regulated by the U.S. Food and Drug Administration (FDA), or the packaging of a drug, or biologic that is regulated by the FDA, including over the counter drugs, prescription drugs, dietary supplements, medical devices, or products that are both a cosmetic and a drug regulated by the FDA;

(F) ammunition or components thereof, firearms, air rifles, hunting or fishing equipment or components thereof;

(G) an aircraft, motor vehicle, vessel; or

(H) the packaging in which a product is sold, offered for sale, or distributed.

(9) "Contaminant" means a trace amount of a chemical or chemicals that is incidental to manufacturing and serves no intended function in the children's product or component of the children's product, including an unintended by-product of chemical reactions during the manufacture of the children's product, a trace impurity in feed-stock, an incompletely reacted chemical mixture, and a degradation product.

(10) “Cosmetics” means articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering appearance, and articles intended for use as a component of such an article. “Cosmetics” shall not mean soap, dietary supplements, or food and drugs approved by the U.S. Food and Drug Administration.

(11) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

(12) “Manufacturer” means:

(A) any person who manufactures a children’s product or whose name is affixed to a children’s product or its packaging or advertising, and the children’s product is sold or offered for sale in Vermont; or

(B) any person who sells a children’s product to a retailer in Vermont when the person who manufactures the children’s product or whose name is affixed to the children’s product or its packaging or advertising does not have a presence in the United States other than the sale or offer for sale of the manufacturer’s products.

(13) “Motor vehicle” means every vehicle intended primarily for use and operation on the public highways and shall include snowmobiles, all-terrain vehicles, and farm tractors and other machinery used in the production, harvesting, and care of farm products.

(14) “Persistent bioaccumulative toxic” means a chemical or chemical group that, based on credible scientific information, meets each of the following criteria:

(A) the chemical can persist in the environment as demonstrated by the fact that:

(i) the half-life of the chemical in water is greater than or equal to 60 days;

(ii) the half-life of the chemical in soil is greater than or equal to 60 days; or

(iii) the half-life of the chemical in sediments is greater than or equal to 60 days; and

(B) the chemical has a high potential to bioaccumulate based on credible scientific information that the bioconcentration factor or bioaccumulation factor in aquatic species for the chemical is greater than 1,000 or, in the absence of such data, that the log-octanol water partition coefficient (log Kow) is greater than five; and

(C) the chemical has the potential to be toxic to children as demonstrated by the fact that:

(i) the chemical or chemical group is a carcinogen, a developmental or reproductive toxicant, or a neurotoxicant;

(ii) the chemical or chemical group has a reference dose or equivalent toxicity measure that is less than 0.003 mg/kg/day; or

(iii) the chemical or chemical group has a chronic no observed effect concentration (NOEC) or equivalent toxicity measure that is less than 0.1 mg/L or an acute NOEC or equivalent toxicity measure that is less than 1.0 mg/L.

(15) "Practical quantification limit (PQL)" means the lowest concentration that can be reliably measured within specified limits of precision, accuracy, representativeness, completeness, and comparability during routine laboratory operating conditions.

(16) "Toy" means a consumer product designed or intended by the manufacturer to be used by a child at play.

(17) "Vessel" means every description of watercraft used or capable of being used as a means of transportation on water.

§ 1773. CHEMICALS OF HIGH CONCERN TO CHILDREN

(a) List of chemicals of high concern to children. The following chemicals are designated as chemicals of high concern to children for the purposes of the requirements of this chapter:

- (1) Formaldehyde.
- (2) Aniline.
- (3) N-Nitrosodimethylamine.
- (4) Benzene.
- (5) Vinyl chloride.
- (6) Acetaldehyde.
- (7) Methylene chloride.
- (8) Carbon disulfide.
- (9) Methyl ethyl ketone.
- (10) 1,1,2,2-Tetrachloroethane.
- (11) Tetrabromobisphenol A.
- (12) Bisphenol A.

- (13) Diethyl phthalate.
- (14) Dibutyl phthalate.
- (15) Di-n-hexyl phthalate.
- (16) Phthalic anhydride.
- (17) Butyl benzyl phthalate (BBP).
- (18) N-Nitrosodiphenylamine.
- (19) Hexachlorobutadiene.
- (20) Propyl paraben.
- (21) Butyl paraben.
- (22) 2-Aminotoluene.
- (23) 2,4-Diaminotoluene.
- (24) Methyl paraben.
- (25) p-Hydroxybenzoic acid.
- (26) Ethylbenzene.
- (27) Styrene.
- (28) 4-Nonylphenol; 4-NP and its isomer mixtures including CAS 84852-15-3 and CAS 25154-52-3.
- (29) para-Chloroaniline.
- (30) Acrylonitrile.
- (31) Ethylene glycol.
- (32) Toluene.
- (33) Phenol.
- (34) 2-Methoxyethanol.
- (35) Ethylene glycol monoethyl ester.
- (36) Tris(2-chloroethyl) phosphate.
- (37) Di-2-ethylhexyl phthalate.
- (38) Di-n-octyl phthalate (DnOP).
- (39) Hexachlorobenzene.
- (40) 3,3'-Dimethylbenzidine and Dyes Metabolized to 3,3'-Dimethylbenzidine.

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- (41) Ethyl paraben.
 - (42) 1,4-Dioxane.
 - (43) Perchloroethylene.
 - (44) Benzophenone-2 (Bp-2); 2,2',4,4'-Tetrahydroxybenzophenone.
 - (45) 4-tert-Octylphenol; 4(1,1,3,3-Tetramethylbutyl) phenol.
 - (46) Estragole.
 - (47) 2-Ethylhexanoic acid.
 - (48) Octamethylcyclotetrasiloxane.
 - (49) Benzene, Pentachloro.
 - (50) C.I. Solvent yellow 14.
 - (51) N-Methylpyrrolidone.
 - (52) 2,2',3,3',4,4',5,5',6,6'-Decabromodiphenyl ether; BDE-209.
 - (53) Perfluorooctanyl sulphonic acid and its salts; PFOS.
 - (54) Phenol, 4-octyl.
 - (55) 2-Ethyl-hexyl-4-methoxycinnamate.
 - (56) Mercury & mercury compounds including methyl mercury (22967-92-6).
 - (57) Molybdenum and molybdenum compounds.
 - (58) Antimony and Antimony compounds.
 - (59) Arsenic and Arsenic compounds, including arsenic trioxide (1327-53-3) and dimethyl arsenic (75-60-5).
 - (60) Cadmium and cadmium compounds.
 - (61) Cobalt and cobalt compounds.
 - (62) Tris(1,3-dichloro-2-propyl)phosphate.
 - (63) Butylated hydroxyanisole; BHA.
 - (64) Hexabromocyclododecane
 - (65) Diisodecyl phthalate (DIDP).
 - (66) Diisononyl phthalate (DINP).
 - (67) any other chemical designated by the Commissioner as a chemical of high concern to children by rule under section 1776 of this title.

(b) Beginning on July 1, 2017, and biennially thereafter, the Commissioner of Health shall review the list of chemicals of high concern to children to determine if additional chemicals should be added to the list under subsection 1776(b) of this title. In reviewing the list of chemicals of high concern to children, the Commissioner of Health may consider designations made by other states, the federal government, other countries, or other governmental agencies.

(c) Publication of list. The Commissioner shall post the list of chemicals of high concern to children on the Department of Health website by chemical name and Chemical Abstracts Service number.

(d) Addition or removal from list. Under 3 V.S.A. § 806, any person may request that the Commissioner add or remove a chemical from the list of chemicals of high concern to children.

(e) PQL value. A PQL value established under this chapter for individual chemicals shall depend on the analytical method used for each chemical. The PQL value shall be based on scientifically defensible, standard analytical methods as advised by guidance published by the Department.

§ 1774. CHEMICALS OF HIGH CONCERN TO CHILDREN WORKING GROUP

(a) Creation. A Chemicals of High Concern to Children Working Group (Working Group) is created within the Department of Health for the purpose of providing the Commissioner of Health advice and recommendations regarding implementation of the requirements of this chapter.

(b) Membership.

(1) The Working Group shall be composed of the following members who, except for ex officio members, shall be appointed by the Governor after consultation with the Commissioner of Health:

(A) the Commissioner of Health or designee, who shall be the chair of the Working Group;

(B) the Commissioner of Environmental Conservation or designee;

(C) the State toxicologist or designee;

(D) a representative of a public interest group in the State with experience in advocating for the regulation of toxic substances;

(E) a representative of an organization within the State with expertise in issues related to the health of children or pregnant women;

(F) two representatives of businesses in the State that use chemicals in a manufacturing or production process or use chemicals that are used in a children's product manufactured in the State;

(G) a scientist with expertise regarding the toxicity of chemicals; and

(H) a representative of the children's products industry with expertise in existing state and national policies impacting children's products.

(2)(A) In addition to the members of the Working Group appointed under subdivision (1) of this subsection, the Governor may appoint up to three additional adjunct members.

(B) An adjunct member appointed under this subdivision (2) shall have expertise or knowledge of the chemical or children's product under review or shall have expertise or knowledge in the potential health effects of the chemical at issue.

(C) Adjunct members appointed under this subdivision (2) shall have the same authority and powers as a member of the Working Group appointed under subdivision (1) of this subsection (b).

(3) The members of the Working Group appointed under subdivision (1) of this subsection shall serve staggered three-year terms. The Governor may remove members of the Working Group who fail to attend three consecutive meetings and may appoint replacements. The Governor may reappoint members to serve more than one term.

(c) Powers and duties. The Working Group shall:

(1) upon the request of the Chair of the Working Group, review proposed chemicals for listing as a chemical of high concern to children under section 1773 of this title; and

(2) recommend to the Commissioner of Health whether rules should be adopted under section 1776 of this title to regulate the sale or distribution of a children's product containing a chemical of high concern to children.

(d) Commissioner of Health recommendation; assistance.

(1) Beginning on July 1, 2017, and biennially thereafter, the Commissioner of Health shall recommend chemicals of high concern to children in children's products for review by the Working Group. The Commissioner's recommendations shall be based on the degree of human health risks, exposure pathways, and impact on sensitive populations presented by a chemical of high concern to children.

(2) The Working Group shall have the administrative, technical, and legal assistance of the Department of Health and the Agency of Natural Resources.

(e) Meetings.

(1) The Chair of the Working Group may convene the Working Group at any time, but no less frequently than at least once every other year.

(2) A majority of the members of the Working Group, including adjunct members when appointed, shall constitute a quorum, and all action shall be taken upon a majority vote of the members present and voting.

(f) Reimbursement. Members of the Working Group, including adjunct members, whose participation is not supported through their employment or association shall receive per diem compensation pursuant to 32 V.S.A. § 1010 and reimbursement of travel expenses. A per diem authorized by this section shall be paid from the budget of the Department of Health.

§ 1775. DISCLOSURE OF INFORMATION ON CHEMICALS OF HIGH CONCERN

(a) Notice of chemical of high concern to children. Unless the Commissioner adopts by rule a phased-in reporting requirement under section 1776, beginning on July 1, 2015, and biennially thereafter, a manufacturer of a children's product or a trade association representing a manufacturer of children's products shall submit to the Department the notice described in subsection (b) of this section for each chemical of high concern to children in a children's product if a chemical of high concern to children is:

(1) intentionally added to a children's product at a level above the PQL produced by the manufacturer; or

(2) present in a children's product produced by the manufacturer as a contaminant at a concentration of 100 parts per million or greater.

(b) Format for notice. The Commissioner shall specify the format for submission of the notice required by subsection (a) of this section, provided that the required format shall be generally consistent with the format for submission of notice in other states with requirements substantially similar to the requirements of this section. Any notice submitted under subsection (a) shall contain the following information:

(1) the name of the chemical used or produced and its chemical abstracts service registry number;

(2) a description of the product or product component containing the chemical;

(3) the amount of the chemical contained in each unit of the product or product component, reported by weight or parts per million as authorized by the Commissioner;

(4) the name and address of the manufacturer of the children's product and the name, address, and telephone number of a contact person for the manufacturer;

(5) any other information the manufacturer deems relevant to the appropriate use of the product; and

(6) any other information required by the Commissioner under rules adopted pursuant to 3 V.S.A. chapter 25.

(c) Reciprocal data-sharing. In order for the Department to obtain the information required in the notice described in subsection (b) of this section, the Department may enter into reciprocal data-sharing agreements with other states in which a manufacturer of children's products is also required to disclose information related to chemicals of high concern to children in children's products. The Department shall not disclose trade secret information, confidential business information, or other information designated as confidential by law under a reciprocal data-sharing agreement.

(d) Waiver of format. Upon application of a manufacturer on a form provided by the Department, the Commissioner may waive the requirement under subsection (b) of this section that a manufacturer provide notice in a format specified by the Commissioner. The waiver may be granted, provided that:

(1) the manufacturer submitted the information required in a notice under this section to:

(A) a state with which the Department has entered a reciprocal data-sharing agreement; or

(B) a trade association, the Interstate Chemicals Clearinghouse, a federal governmental agency, or other independent third party;

(2) the information required to be reported in a notice under this section is provided to the Department in an alternate format, including reference to information publicly available in other states or by independent third parties; and

(3) the information required to be reported in a notice under this section is available on or accessible from the Department of Health website.

(e) Chemical control program. A manufacturer shall be exempt from the requirements of notice under this section for any chemical of high concern to

children that is present in a children's product or component of a children's product only as a contaminant if, during manufacture of the children's product, the manufacturer was implementing a manufacturing control program and exercised due diligence to minimize the presence of the contaminant in the children's product.

(f) Notice of removal of chemical. A manufacturer who submitted the notice required by subsection (a) of this section may at any time submit to the Department notice that a chemical of high concern to children has been removed from the manufacturer's children's product or that the manufacturer no longer sells, offers for sale, or distributes in the State the children's product containing the chemical of high concern to children. Upon verification of a manufacturer's notice under this subsection, the Commissioner shall promptly remove from the Department website any reference to the relevant children's product of the manufacturer.

(g) Certificate of compliance. A manufacturer required to submit notice under this section to the Commissioner may rely on a certificate of compliance from suppliers for determining reporting obligations.

(h) Products for sale out of State. A manufacturer shall not be required to submit notice under this section for a children's product manufactured, stored in, or transported through Vermont solely for use or sale outside of the State of Vermont.

(i) Publication of information; disclaimer. The Commissioner shall post on the Department of Health website information submitted under this section by a manufacturer. When the Commissioner posts on the Department of Health website information submitted under this section by a manufacturer, the Commissioner shall provide the following notice:

"The reports on this website are based on data provided to the Department. The presence of a chemical in a children's product does not necessarily mean that the product is harmful to human health or that there is any violation of existing safety standards or laws. The reporting triggers are not health-based values."

(j) Fee. A manufacturer shall pay a fee of \$200.00 for each notice required under subsection (a) of this section. If, under subsection (d) of this section, the Commissioner waives the required format for reporting, the fee shall not be waived. Fees collected under this subsection shall be deposited in the Chemicals of High Concern Fund for the purposes of that Fund.

(k) Application of section. The requirements of this section shall apply unless a manufacturer is exempt or unless notice according to the requirements of this section is specifically preempted by federal law. In the event of conflict

between the requirements of this section and federal law, federal law shall control.

§ 1776. RULEMAKING; ADDITIONAL CHEMICALS OF CONCERN TO CHILDREN; PROHIBITION OF SALE

(a) Rulemaking authority. The Commissioner shall, after consultation with the Secretary of Natural Resources, adopt rules as necessary for the purposes of implementing, administering, or enforcing the requirements of this chapter.

(b) Additional chemicals of concern to children. The Commissioner may by rule add additional chemicals to the list of chemicals of high concern to children, provided that the Commissioner of Health, on the basis of the weight of credible, scientific evidence, has determined that a chemical proposed for addition to the list meets both of the following criteria in subdivisions (1) and (2) of this subsection:

(1) The Commissioner of Health has determined that an authoritative governmental entity or accredited research university has demonstrated that the chemical:

(A) harms the normal development of a fetus or child or causes other developmental toxicity;

(B) causes cancer, genetic damage, or reproductive harm;

(C) disrupts the endocrine system;

(D) damages the nervous system, immune system, or organs or causes other systemic toxicity; or

(E) is a persistent bioaccumulative toxic.

(2) The chemical has been found through:

(A) biomonitoring to be present in human blood, umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(B) sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment; or

(C) monitoring to be present in fish, wildlife, or the natural environment.

(c) Removal of chemical from list. The Commissioner may by rule remove a chemical from the list of chemicals of high concern to children established under section 1773 of this title or rules adopted under this section if the Commissioner determines that the chemical no longer meets both of the criteria of subdivisions (b)(1) and (2) of this section.

(d) Rule to regulate sale or distribution.

(1) The Commissioner, upon the recommendation of the Chemicals of High Concern to Children Working Group, may adopt a rule to regulate the sale or distribution of a children's product containing a chemical of high concern to children upon a determination that:

(A) children will be exposed to a chemical of high concern to children in the children's product; and

(B) there is a probability that, due to the degree of exposure or frequency of exposure of a child to a chemical of high concern to children in a children's product, exposure could cause or contribute to one or more of the adverse health impacts listed under subdivision (b)(1) of this section.

(2) In determining whether children will be exposed to a chemical of high concern in a children's product, the Commissioner shall review available, credible information regarding:

(A) the market presence of the children's product in the State;

(B) the type or occurrence of exposures to the relevant chemical of high concern to children in the children's product;

(C) the household and workplace presence of the children's product;

(D) the potential and frequency of exposure of children to the chemical of high concern to children in the children's product.

(3) A rule adopted under this section may:

(A) prohibit the children's product containing the chemical of high concern to children from sale, offer for sale, or distribution in the State; or

(B) require that the children's product containing the chemical of high concern to children be labeled prior to sale, offer for sale, or distribution in the State.

(4) In any rule adopted under this subsection, the Commissioner shall adopt reasonable time frames for manufacturers, distributors, and retailers to comply with the requirements of the rules. No prohibition on sale or manufacture of a children's product in the State shall take effect sooner than two years after the adoption of a rule adopted under this section unless the Commissioner determines that an earlier effective date is required to protect human health and the new effective date is established by rule.

(e) Exemption for chemical management strategy. In adopting a rule under this section, the Commissioner may exempt from regulation a children's product containing a chemical of high concern to children if the manufacturer of the children's product is implementing a comprehensive chemical management strategy designed to eliminate harmful substances or chemicals from the manufacturing process.

(f) Additional rules.

(1) On or before July 1, 2017, the Commissioner of Health shall adopt by rule the process and procedure to be required when the Commissioner of Health adopts a rule under subsection (b) or (c) of this section. The rule shall provide all relevant criteria for evaluation of the chemical, time frames for labeling or phasing out sale or distribution, and other information or process determined as necessary by the Commissioner for implementation of this chapter.

(2) The Commissioner may, by rule, authorize a manufacturer to report ranges of the amount of a chemical in a children's product, rather than the exact amount, provided that if there are multiple chemical values for a given component in a particular product category, the manufacturer shall use the largest value for reporting.

(3) Notwithstanding the required reporting dates under section 1774 of this title, the Commissioner may adopt by rule phased-in reporting requirements for chemicals of high concern to children in children's products based on the size of the manufacturer, aggregate sales of children's products, or the exposure profile of the chemical of high concern to children in the children's product.

(g) Additional public participation. In addition to the public participation requirements of 3 V.S.A. chapter 25 and prior to submitting a rule authorized under this section to the Secretary of State under 3 V.S.A. § 838, the Commissioner shall make reasonable efforts to consult with interested parties within the State regarding any proposed prohibition of a chemical of high concern to children. The Commissioner may satisfy the consultation requirement of this section through the use of one or more workshops, focused work groups, dockets, meetings, or other forms of communication.

§ 1777. CHEMICALS OF HIGH CONCERN TO CHILDREN FUND

(a) The Chemicals of High Concern to Children Fund is established in the State Treasury, separate and distinct from the General Fund, to be administered by the Commissioner of Health. Interest earned by the Fund shall be credited to the Fund. Monies in the Fund shall be made available to the Department of Health and the Agency of Natural Resources to pay costs incurred in administration of the requirements of this chapter.

(b) The Chemicals of High Concern to Children Fund shall consist of:

(1) fees and charges collected under section 1775 of this chapter;

(2) private gifts, bequests, grants, or donations made to the State from any public or private source for the purposes for which the Fund was established; and

(3) such sums as may be appropriated by the General Assembly.

§ 1778. CONFIDENTIALITY

Information submitted to or acquired by the Department or the Chemicals of High Concern to Children Working Group under this chapter may be subject to public inspection or copying or may be published on the Department website, provided that trade secret information and confidential business information shall be exempt from public inspection and copying under 1 V.S.A. § 317(c)(9) and information otherwise designated confidential by law shall be exempt from public inspection and copying under 1 V.S.A. § 317(c)(1). It shall be the burden of the manufacturer to assert that information submitted under this chapter is a trade secret, confidential business information, or is otherwise designated confidential by law. When a manufacturer asserts under this section that the specific identity of a chemical of high concern to children in a children's product is a trade secret, the Commissioner shall, in place of the specific chemical identity, post on the Department's website the generic class or category of the chemical in the children's product and the potential health effect of the specific chemical of high concern to children.

§ 1779. VIOLATIONS; ENFORCEMENT

A violation of this chapter shall be considered a violation of the Consumer Protection Act in 9 V.S.A. chapter 63. The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions under 9 V.S.A. chapter 63, subchapter 1. Private parties shall not have a private right of action under this chapter.

Sec. 3. REPORT TO GENERAL ASSEMBLY; CHEMICALS OF HIGH CONCERN TO CHILDREN

On or before January 15, 2015, and biennially thereafter, the Commissioner of Health, after consultation with the Secretary of Natural Resources, shall submit to the Senate Committee on Health and Welfare, the House Committee on Human Services, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate and House Committees on Appropriations, a report concerning implementation, administration, and financing by the Department of Health of the requirements of 18 V.S.A. chapter 38A regarding the chemicals of high concern to children. The report shall include:

(1) Any updates to the list of chemicals of high concern to children required under 18 V.S.A. § 1773.

(2) The number of manufacturers providing notice under 18 V.S.A. § 1775 regarding whether a children's product includes a chemical of high concern to children.

(3) The number of chemicals of high concern to children for which manufacturers asserted trade secret protection for the specific identity of the chemical, and a recommendation of whether a process should be established to review the validity of asserted trade secrets.

(4) An estimate of the annual cost to the Department of Health to implement the chemicals of high concern to children program.

(5) The number of Department of Health employees needed to implement the chemicals of high concern to children program.

(6) An estimate of additional funding that the Department may require to implement the chemicals of high concern to children program.

(7) A recommendation of how the State should collaborate with other states in implementing the requirements of the chemicals of high concern to children program.

(8) A recommendation as to whether the requirements of this chapter should be expanded to consumer products other than children's products.

Sec. 4. 7 V.S.A. § 1012 is added to read:

§ 1012. LIQUID NICOTINE; PACKAGING

(a) As used in this section, "liquid nicotine container" means a bottle or other container that contains liquid nicotine or other substance containing nicotine, where the liquid or other substance is sold, marketed, or intended for use in an electronic delivery device.

(b) Unless specifically preempted by federal law, a liquid nicotine container that is sold at retail in the State shall satisfy the child-resistant effectiveness standards under 16 C.F.R. § 1700.15(b)(1) when tested in accordance with the requirements of 16 C.F.R. § 1700.20.

Sec. 5. EFFECTIVE DATES

(a) Secs. 1–3 and this section shall take effect on passage.

(b) Sec. 4 (liquid nicotine; packaging) shall take effect on January 1, 2015.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Lyons moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 2, in 18 V.S.A. § 1772, in subdivision (7)(A), after “children in the State of Vermont,” and before “including” by inserting the following: or any consumer product whose substantial use or handling by children under 12 years of age is reasonably foreseeable,

and by striking out subdivisions (7)(B)(ii) and (iii) in their entirety

and by renumbering the remaining subdivisions to be numerically correct.

Second: In Sec. 2, in 18 V.S.A. § 1772, in subdivision (8)(G), by striking out “or” where it appears

and by adding new subdivisions (8)(H) and (8)(I) to read as follows:

(H) consumer electronic products, including personal computers, audio and video equipment, calculators, wireless telephones, game consoles, and hand-held devices incorporating a video screen used to access interactive software intended for leisure and entertainment and their associated peripherals;

(I) interactive software, intended for leisure and entertainment, such as computer games, and their storage media, such as compact discs; or

and by relettering the remaining subdivision in subdivision (8) to be alphabetically correct.

Third: In Sec. 2, in 18 V.S.A. § 1772, by striking out subdivision (11) in its entirety and by renumbering the remaining subdivisions to be numerically correct.

Fourth: In Sec. 2, in 18 V.S.A. § 1774, in subdivision (b)(1)(F), by striking out “two representatives” where it appears and inserting in lieu thereof one representative

and in subdivision (d)(1), after “shall recommend” and before “chemicals of high concern” by inserting at least two

and by adding subsection (g) to read as follows:

(g) Right of appeal. Individual members of the Working Group and the Working Group as a whole shall have the right to appeal to the Board of Health an act or omission by the Commissioner in the implementation or administration of the requirements of this chapter.

Fifth: In Sec. 2, in 18 V.S.A. § 1775, in subsection (a), after “on July, 1,” and before “, and biennially thereafter” by striking out “2015” and inserting in lieu thereof 2016 and in subdivision (a)(1), by striking out “intentionally added to” where it appears and inserting in lieu thereof present in and by striking out subsection (g) in its entirety and by relettering the remaining subsections to be alphabetically correct.

Sixth: In Sec. 2, in 18 V.S.A. § 1776, in subdivision (d)(1), after “The Commissioner” and before “may adopt a rule” by striking out “, upon the recommendation of the Chemicals of High Concern to Children Working Group,” and in subdivision (d)(2), after “credible information regarding” and before the colon, by inserting one or more of the following and in subdivision (d)(2)(C), after the semicolon, by inserting or and in subdivision (f)(1), by striking out the second sentence in its entirety and inserting in lieu thereof the following:

The rule shall provide:

(A) all relevant criteria for evaluation of the chemical;

(B) criteria by which a chemical, due to its presence in the environment or risk of harm, shall be prioritized for addition or removal from the list of chemicals of high concern to children or for regulation under subsection (d) of this section;

(C) time frames for labeling or phasing out sale or distribution; and

(D) other information or process determined as necessary by the Commissioner for implementation of this chapter.

Seventh: In Sec. 2, in 18 V.S.A. § 1778, by adding a sentence at the end of the section to read as follows:

The Commissioner may publish information submitted or acquired under this chapter that is designated a trade secret, confidential business information, or otherwise confidential by law in a summary or aggregate form, provided that any published information shall not directly or indirectly identify an individual manufacturer or a business advantage of an individual manufacturer.

Eighth: By striking out Secs. 4 (liquid nicotine packaging) and 5 (Effective Dates) in their entirety and by inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Which was agreed to on a roll call, Yeas 17, Nays 11.

Senator Ayer having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Campbell, Cummings, Doyle, French, Lyons, MacDonald, Mazza, McCormack, Mullin, Pollina, Sirotkin, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Flory, Galbraith, Hartwell, McAllister, Nitka, Rodgers, Sears, *Snelling, Starr, Westman.

Those Senators absent and not voting were: Collins, Kitchel.

*Senator Snelling explained her vote as follows:

“I respect the work of the Senate Health and Welfare Committee and everyone else who has worked on this legislation.

“However I remain concerned about the unintended consequences on responsible businesses and the lack of collaboration in developing this further amendment.”

House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 287.

House proposal of amendment to Senate bill entitled:

An act relating to involuntary treatment and medication.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 7101 is amended to read;

§ 7101. DEFINITIONS

As used in this part of this title, the following words, unless the context otherwise requires, shall have the following meanings:

* * *

(9) “Interested party” means a guardian, spouse, parent, adult child, close adult relative, a responsible adult friend, or person who has the individual in his or her charge or care. It also means a mental health professional, a law enforcement officer, a licensed physician, or a head of a hospital, ~~a selectman, a town service officer, or a town health officer.~~

* * *

(29) “Peer” means an individual who has a personal experience of living with a mental health condition or psychiatric disability.

(30) “Peer services” means support services provided by trained peers or peer-managed organizations focused on helping individuals with mental health and other co-occurring conditions to support recovery.

Sec. 1a. 18 V.S.A. § 7252 is amended to read:

§ 7252. DEFINITIONS

As used in this chapter:

* * *

(10) ~~“Peer” means an individual who has a personal experience of living with a mental health condition or psychiatric disability. [Repealed.]~~

(11) ~~“Peer services” means support services provided by trained peers or peer managed organizations focused on helping individuals with mental health and other co-occurring conditions to support recovery. [Repealed.]~~

* * *

Sec. 2. 18 V.S.A. § 7256 is amended to read:

§ 7256. REPORTING REQUIREMENTS

Notwithstanding 2 V.S.A. § 20(d), the ~~department of mental health~~ Department of Mental Health shall report annually on or before January 15 to the ~~senate committee on health and welfare and the house committee on human services~~ Senate Committee on Health and Welfare and the House Committee on Human Services regarding the extent to which individuals with mental health conditions receive care in the most integrated and least restrictive setting available. The Department shall consider measures from a variety of sources, including the Joint Commission, the National Quality Forum, the Centers for Medicare and Medicaid Services, the National Institute of Mental Health, and the Substance Abuse and Mental Health Services Administration. The report shall address:

(1) ~~Utilization~~ use of services across the continuum of mental health services;

(2) ~~Adequacy~~ adequacy of the capacity at each level of care across the continuum of mental health services;

(3) ~~Individual~~ individual experience of care and satisfaction;

(4) ~~Individual~~ individual recovery in terms of clinical, social, and legal outcomes; ~~and~~

(5) ~~Performance~~ performance of the state's State's mental health system of care as compared to nationally recognized standards of excellence;

(6) ways in which patient autonomy and self-determination are maximized within the context of involuntary treatment and medication;

(7) outcome measures and other data on individuals for whom petitions for involuntary medication are filed; and

(8) progress on alternative treatment options across the system of care for individuals seeking to avoid or reduce reliance on medications, including supported withdrawal from medications.

Sec. 3. 18 V.S.A. § 7257 is amended to read:

§ 7257. REPORTABLE ADVERSE EVENTS

(a) An acute inpatient hospital, an intensive residential recovery facility, a designated agency, or a secure residential facility shall report to the ~~department of mental health~~ Department of Mental Health instances of death or serious bodily injury to individuals with a mental health condition in the custody or temporary custody of the ~~commissioner~~ Commissioner.

(b) An acute inpatient hospital shall report to the Department of Mental Health any staff injuries caused by a person in the custody or temporary custody of the Commissioner that are reported to both the Department of Labor and to the hospital's workers' compensation carrier.

Sec. 4. 18 V.S.A. § 7259 is amended to read:

§ 7259. MENTAL HEALTH CARE OMBUDSMAN

(a) The ~~department of mental health~~ Department of Mental Health shall establish the ~~office of the mental health care ombudsman~~ Office of the Mental Health Care Ombudsman within the agency designated by the ~~governor~~ Governor as the protection and advocacy system for the ~~state~~ State pursuant to 42 U.S.C. § 10801 et seq. The agency may execute the duties of the ~~office of the mental health care ombudsman~~ Office of the Mental Health Care Ombudsman, including authority to assist individuals with mental health conditions and to advocate for policy issues on their behalf; provided, however, that nothing in this section shall be construed to impose any additional duties on the agency in excess of the requirements under federal law.

(b) The agency may provide a report annually to the ~~general assembly~~ General Assembly regarding the implementation of this section.

(c) In the event the protection and advocacy system ceases to provide federal funding to the agency for the purposes described in this section, the ~~general assembly~~ General Assembly may allocate sufficient funds to maintain the ~~office of the mental health care ombudsman~~ Office of the Mental Health Care Ombudsman.

(d) The Department of Mental Health shall provide a copy of the certificate of need for all emergency involuntary procedures performed on a person in the custody or temporary custody of the Commissioner to the Office of the Mental Health Care Ombudsman on a monthly basis.

Sec. 5. 18 V.S.A. § 7504 is amended to read:

§ 7504. APPLICATION AND CERTIFICATE FOR EMERGENCY EXAMINATION

(a) ~~A~~ Upon written application by an interested party made under the pains and penalties of perjury and accompanied by a certificate by a licensed physician who is not the applicant, a person shall be admitted to a designated held for admission to a hospital for an emergency examination to determine if he or she is a person in need of treatment upon written application by an interested party accompanied by a certificate by a licensed physician who is not the applicant. The application and certificate shall set forth the facts and circumstances ~~which that~~ which that constitute the need for an emergency examination and ~~which that~~ which that show that the person is a person in need of treatment.

(b) The application and certificate shall be authority for transporting the person to a ~~designated~~ hospital for an emergency examination, as provided in section 7511 of this title.

(c) For the purposes of admission of an individual to a designated hospital for care and treatment under this section, a head of a hospital, as provided in subsection (a) of this section, may include a person designated in writing by the head of the hospital to discharge the authority granted in this section. A designated person must be an official hospital administrator, supervisory personnel, or a licensed physician on duty on the hospital premises other than the certifying physician under subsection (a) of this section.

Sec. 6. 18 V.S.A. § 7505 is amended to read:

§ 7505. WARRANT AND CERTIFICATE FOR IMMEDIATE EMERGENCY EXAMINATION

(a) In emergency circumstances where a certification by a physician is not available without serious and unreasonable delay, and when personal observation of the conduct of a person constitutes reasonable grounds to believe that the person is a person in need of treatment, and he or she presents an immediate risk of serious injury to himself or herself or others if not restrained, a law enforcement officer or mental health professional may make an application, not accompanied by a physician's certificate, to any ~~district or superior~~ Superior judge for a warrant for an ~~immediate~~ emergency examination.

(b) The law enforcement officer or mental health professional may take the person into temporary custody and shall apply to the ~~court~~ Court without delay for the warrant.

(c) If the judge is satisfied that a physician's certificate is not available without serious and unreasonable delay, and that probable cause exists to believe that the person is in need of an ~~immediate~~ emergency examination, he or she may order the person to submit to an ~~immediate examination at a designated hospital~~ evaluation by a physician for that purpose.

(d) If necessary, the ~~court~~ Court may order the law enforcement officer or mental health professional to transport the person to a ~~designated~~ hospital for an ~~immediate examination~~ evaluation by a physician to determine if the person should be certified for an emergency examination.

~~(e) Upon admission to a designated hospital, the person shall be immediately examined by a~~ A person transported pursuant to subsection (d) of this section shall be evaluated as soon as possible after arrival at the hospital. If after evaluation the licensed physician determines that the person is a person in need of treatment, he or she shall issue an initial certificate that sets forth the facts and circumstances constituting the need for an emergency examination and showing that the person is a person in need of treatment. If the physician certifies that the person is a person in need of treatment Once the physician has issued the initial certificate, the person shall be held for an emergency examination in accordance with section 7508 of this title. If the physician does not certify that the person is a person in need of treatment, he or she shall immediately discharge the person and cause him or her to be returned to the place from which he or she was taken, or to such place as the person reasonably directs.

Sec. 7. 18 V.S.A. § 7508 is amended to read:

§ 7508. EMERGENCY EXAMINATION AND SECOND CERTIFICATION

(a) ~~When a person is admitted to a designated hospital~~ an initial certification is issued for an emergency examination ~~of a person~~ in accordance with section 7504 or subsection 7505(e) of this title, he or she shall be examined and certified by a psychiatrist as soon as practicable, but not later than ~~one working day~~ 24 hours after ~~admission~~ initial certification.

(b) If the person is ~~admitted~~ held for admission on an application and physician's certificate, the examining psychiatrist shall not be the same physician who signed the certificate.

(c) If the psychiatrist does not ~~certify~~ issue a second certification stating that the person is a person in need of treatment, he or she shall immediately discharge or release the person and cause him or her to be returned to the place

from which he or she was taken or to such place as the person reasonably directs.

(d) If the psychiatrist does ~~certify~~ issue a second certification that the person is a person in need of treatment, the ~~person's hospitalization~~ person may continue to be held for an additional 72 hours, at which time ~~hospitalization shall terminate~~ the person shall be discharged or released, unless within that period:

(1) the person has ~~been~~ accepted for voluntary admission under section 7503 of this title; or

(2) an application for involuntary treatment is filed with the appropriate court under section 7612 of this title, in which case the patient shall ~~remain hospitalized~~ continue to be held pending the ~~court's decision on the application~~ Court's finding of probable cause on the application.

(e)(1)(A) A person shall be deemed to be in the temporary custody of the Commissioner when the first of the following occurs:

(i) a physician files an initial certification for the person while the person is in a hospital; or

(ii) a person is certified by a psychiatrist to be a person in need of treatment during an emergency examination.

(B) Temporary custody under this subsection shall continue until the Court issues an order pursuant to subsection 7617(b) of this title or the person is discharged or released.

(2) The Commissioner shall make every effort to ensure that a person held for an emergency examination pending a hospital admission is receiving temporary care and treatment that:

(A) uses the least restrictive manner necessary to protect the safety of both the person and the public;

(B) respects the privacy of the person and other patients; and

(C) prevents physical and psychological trauma.

(3) All persons admitted or held for admission shall receive a notice of rights as provided for in section 7701 of this title, which shall include contact information for Vermont Legal Aid, the Office of the Mental Health Care Ombudsman, and the mental health patient representative. The Department of Mental Health shall develop and regularly update informational material on available peer-run support services, which shall be provided to all persons admitted or held for admission.

(4) A person held for an emergency examination may be admitted to an appropriate hospital at any time.

Sec. 8. 18 V.S.A. § 7509 is amended to read:

§ 7509. TREATMENT; RIGHT OF ACCESS

(a) Upon admission to the hospital pursuant to section 7503, 7508, 7617, or 7624 of this title, the person shall be treated with dignity and respect and shall be given such medical and psychiatric treatment as is indicated.

(b) ~~The person~~ All persons admitted or held for admission shall be given the opportunity, subject to reasonable limitations, to communicate with others, including visits by a peer support person designated by the person, presence of the peer support person at all treatment team meetings the person is entitled to attend, the reasonable use of a telephone, and the reasonable use of electronic mail and the Internet.

(c) The person shall be requested to furnish the names of persons he or she may want notified of his or her hospitalization and kept informed of his or her status. The head of the hospital shall see that such persons are notified of the status of the patient, how he or she may be contacted and visited, and how they may obtain information concerning him or her.

Sec. 9. 18 V.S.A. § 7612 is amended to read:

§ 7612. APPLICATION FOR INVOLUNTARY TREATMENT

(a) An interested party may, by filing a written application, commence proceedings for the involuntary treatment of an individual by judicial process.

(b) The application shall be filed in the ~~criminal division of the superior court of the proposed patient's residence or, in the case of a nonresident, in any district court~~ Family Division of the Superior Court.

(c) If the application is filed under section 7508 or 7620 of this title, it shall be filed in the ~~criminal division of the superior court~~ unit of the Family Division of the Superior Court in which the hospital is located. In all other cases, it shall be filed in the unit in which the proposed patient resides. In the case of a nonresident, it may be filed in any unit. The Court may change the venue of the proceeding to the unit in which the proposed patient is located at the time of the trial.

(d) The application shall contain:

(1) The name and address of the applicant; ~~and.~~

(2) A statement of the current and relevant facts upon which the allegation of mental illness and need for treatment is based. The application shall be signed by the applicant under penalty of perjury.

(e) The application shall be accompanied by:

(1) ~~A~~ a certificate of a licensed physician, which shall be executed under penalty of perjury stating that he or she has examined the proposed patient within five days of the date the petition is filed, and is of the opinion that the proposed patient is a person in need of treatment, including the current and relevant facts and circumstances upon which the physician's opinion is based; or

(2) ~~A~~ a written statement by the applicant that the proposed patient refused to submit to an examination by a licensed physician.

(f) Before an examining physician completes the certificate of examination, he or she shall consider available alternative forms of care and treatment that might be adequate to provide for the person's needs, without requiring hospitalization. The examining physician shall document on the certificate the specific alternative forms of care and treatment that he or she considered and why those alternatives were deemed inappropriate, including information on the availability of any appropriate alternatives.

Sec. 10. 18 V.S.A. § 7612a is added to read:

§ 7612a. PROBABLE CAUSE REVIEW

(a) Within three days after an application for involuntary treatment is filed, the Family Division of the Superior Court shall conduct a review to determine whether there is probable cause to believe that the person was a person in need of treatment at the time of his or her admission. The review shall be based solely on the application for an emergency examination and accompanying certificate by a licensed physician and the application for involuntary treatment.

(b) If, based on a review conducted pursuant to subsection (a) of this section the Court finds probable cause to believe that the person was a person in need of treatment at the time of his or her admission, the person shall be ordered held for further proceedings in accordance with Part 8 of this title. If probable cause is not established, the person shall be ordered discharged or released from the hospital and returned to the place from which he or she was transported or to such place as the person may reasonably direct.

(c) An application for involuntary treatment shall not be dismissed solely because the probable cause review is not completed within the time period required by this section if there is good cause for the delay.

Sec. 11. 18 V.S.A. § 7615 is amended to read:

§ 7615. HEARING ON APPLICATION FOR INVOLUNTARY TREATMENT

(a)(1) Upon receipt of the application, the ~~court~~ Court shall set a date for the hearing to be held within 10 days from the date of the receipt of the application or 20 days from the date of the receipt of the application if a psychiatric examination is ordered under section 7614 of this title unless the hearing is continued by the ~~court~~ Court pursuant to subsection (b) of this section.

(2)(A) The applicant or a person who is certified as a person in need of treatment pursuant to section 7508 of this title may file a motion to expedite the hearing. The motion shall be supported by an affidavit, and the Court shall rule on the motion on the basis of the filings without holding a hearing. The Court:

(i) shall grant the motion if it finds that the person demonstrates a significant risk of causing the person or others serious bodily injury as defined in 13 V.S.A. § 1021 even while hospitalized, and clinical interventions have failed to address the risk of harm to the person or others;

(ii) may grant the motion if it finds that the person has received involuntary medication pursuant to section 7624 of this title during the past two years and, based upon the person's response to previous and ongoing treatment, there is good cause to believe that additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence.

(B) If the Court grants the motion for expedited hearing pursuant to this subdivision, the hearing shall be held within ten days from the date of the order for expedited hearing.

(b)(1) ~~The court~~ For hearings held pursuant to subdivision (a)(1) of this section, the Court may grant ~~either~~ each party ~~an~~ a onetime extension ~~of time~~ of up to seven days for good cause.

(2) The Court may grant one or more additional seven-day continuances if:

(A) the Court finds that the proceeding or parties would be substantially prejudiced without a continuance; or

(B) the parties stipulate to the continuance.

(c) The hearing shall be conducted according to the ~~rules of evidence~~ Vermont Rules of Evidence ~~applicable in civil actions in the criminal division~~

~~of the superior courts of the state~~, and to an extent not inconsistent with this part, the ~~rules of civil procedure of the state~~ Vermont Rules of Civil Procedure shall be applicable.

(d) The applicant and the proposed patient shall have a right to appear at the hearing to testify. The attorney for the ~~state~~ State and the proposed patient shall have the right to subpoena, present, and cross-examine witnesses, and present oral arguments. The ~~court~~ Court may, at its discretion, receive the testimony of any other person.

(e) The proposed patient may at his or her election attend the hearing, subject to reasonable rules of conduct, and the ~~court~~ Court may exclude all persons, except a peer support person designated by the proposed patient, not necessary for the conduct of the hearing.

Sec. 12. 18 V.S.A. § 7624 is amended to read:

§ 7624. PETITION FOR INVOLUNTARY MEDICATION

(a) The ~~commissioner~~ Commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication and meets any one of the following ~~three~~ five conditions:

(1) has been placed in the ~~commissioner's~~ Commissioner's care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has previously received treatment under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility; ~~or~~

(3) has been committed to the custody of the ~~commissioner of corrections~~ Commissioner of Corrections as a convicted felon and is being held in a correctional facility which is a designated facility pursuant to section 7628 of this title and for whom the ~~department of corrections~~ Departments of Corrections and the ~~department of mental health~~ Mental Health have jointly determined jointly that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H);

(4) has an application for involuntary treatment pending for which the Court has granted a motion to expedite pursuant to subdivision 7615(a)(2)(A)(i) of this title; or

(5)(A) has an application for involuntary treatment pending;

(B) waives the right to a hearing on the application for involuntary treatment until a later date; and

(C) agrees to proceed with an involuntary medication hearing without a ruling on whether he or she is a person in need of treatment.

(b)(1) A Except as provided in subdivision (2) and (3) of this subsection, a petition for involuntary medication shall be filed in the family division of the superior court Family Division of the Superior Court in the county in which the person is receiving treatment.

(2) If the petition for involuntary medication is filed pursuant to subdivision (a)(4) of this section:

(A) the petition shall be filed in the county in which the application for involuntary treatment is pending; and

(B) the Court shall consolidate the application for involuntary treatment with the petition for involuntary medication and rule on the application for involuntary treatment before ruling on the petition for involuntary medication.

(3) If the petition for involuntary medication is filed pursuant to subdivision (a)(5) of this section, the petition shall be filed in the county in which the application for involuntary treatment is pending.

(c) The petition shall include a certification from the treating physician, executed under penalty of perjury, that includes the following information:

(1) the nature of the person's mental illness;

(2) that the person is refusing medication proposed by the physician;

(3) that the person lacks the competence to decide to accept or refuse medication and appreciate the consequences of that decision;

(4) the necessity for involuntary medication, including the person's competency to decide to accept or refuse medication;

~~(3)~~(5) any proposed medication, including the method, dosage range, and length of administration for each specific medication;

~~(4)~~(6) a statement of the risks and benefits of the proposed medications, including the likelihood and severity of adverse side effects and its effect on:

(A) the person's prognosis with and without the proposed medications; and

(B) the person's health and safety, including any pregnancy;

~~(5)~~(7) the current relevant facts and circumstances, including any history of psychiatric treatment and medication, upon which the physician's opinion is based;

~~(6)~~(8) what alternate treatments have been proposed by the doctor, the patient, or others, and the reasons for ruling out those alternatives, including information on the availability of any appropriate alternatives; and

~~(7)~~(9) whether the person has executed a ~~durable power of attorney for health care~~ an advance directive in accordance with the provisions of ~~18 V.S.A. chapter 111, subchapter 2~~ chapter 231 of this title, and the identity of the ~~health care agent or agents~~ designated by the ~~durable power of attorney~~ advance directive.

(d) A copy of the ~~durable power of attorney~~ advance directive, if available, shall be attached to the petition.

Sec. 13. 18 V.S.A. § 7625 is amended to read:

§ 7625. HEARING ON PETITION FOR INVOLUNTARY MEDICATION;
BURDEN OF PROOF

(a) ~~A~~ Unless consolidated with an application for involuntary treatment pursuant to subdivision 7624(b)(2) of this title, a hearing on a petition for involuntary medication shall be held within seven days of filing and shall be conducted in accordance with sections 7613, 7614, ~~7615(b)–(e)~~, and 7616 and subsections 7615(b)–(e) of this title.

(b) In a hearing conducted pursuant to this section, section 7626, or section 7627 of this title, the ~~commissioner~~ Commissioner has the burden of proof by clear and convincing evidence.

(c) In determining whether or not the person is competent to make a decision regarding the proposed treatment, the ~~court~~ Court shall consider whether the person is able to make a decision and appreciate the consequences of that decision.

Sec. 14. 18 V.S.A. § 7626 is amended to read:

§ 7626. ~~DURABLE POWER OF ATTORNEY~~ ADVANCE DIRECTIVE

(a) If a person who is the subject of a petition filed under section 7624 of this title has executed a ~~durable power of attorney~~ an advance directive in accordance with the provisions of ~~18 V.S.A. chapter 111~~ chapter 231 of this title, ~~subchapter 2 for health care~~, the ~~court~~ Court shall suspend the hearing and enter an order pursuant to subsection (b) of this section, if the ~~court~~ Court determines that:

(1) the person is refusing to accept psychiatric medication;

(2) the person is not competent to make a decision regarding the proposed treatment; and

(3) the decision regarding the proposed treatment is within the scope of the valid, duly executed ~~durable power of attorney for health care~~ advance directive.

(b) An order entered under subsection (a) of this section shall authorize the ~~commissioner~~ Commissioner to administer treatment to the person, including involuntary medication in accordance with the direction set forth in the ~~durable power of attorney~~ advance directive or provided by the ~~health care agent or agents~~ acting within the scope of authority granted by the ~~durable power of attorney~~ advance directive. If hospitalization is necessary to effectuate the proposed treatment, the ~~court~~ Court may order the person to be hospitalized.

~~(c) In the case of a person subject to an order entered pursuant to subsection (a) of this section, and upon the certification by the person's treating physician to the court that the person has received treatment or no treatment consistent with the durable power of attorney for health care for 45 days after the order under subsection (a) of this section has been entered, then the court shall reconvene the hearing on the petition.~~

~~(1) If the court concludes that the person has experienced, and is likely to continue to experience, a significant clinical improvement in his or her mental state as a result of the treatment or nontreatment directed by the durable power of attorney for health care, or that the patient has regained competence, then the court shall enter an order denying and dismissing the petition.~~

~~(2) If the court concludes that the person has not experienced a significant clinical improvement in his or her mental state, and remains incompetent then the court shall consider the remaining evidence under the factors described in subdivisions 7627(c)(1) (5) of this title and render a decision on whether the person should receive medication. [Repealed.]~~

(d)(1) The Commissioner of Mental Health shall develop a protocol for use by designated hospitals for the purpose of educating hospital staff on the use and applicability of advance directives pursuant to chapter 231 of this title and other written or oral expressions of treatment preferences pursuant to subsection 7627(b) of this title.

(2) Prior to a patient's discharge or release, a hospital shall provide information to a patient in the custody or temporary custody of the Commissioner regarding advance directives, including relevant information developed by the Vermont Ethics Network and Office of the Mental Health Care Ombudsman.

Sec. 15. 18 V.S.A. § 7627 is amended to read:

§ 7627. COURT FINDINGS; ORDERS

* * *

(b) If a person who is the subject of a petition filed under section 7625 of this title has not executed a ~~durable power of attorney~~ an advance directive, the ~~court~~ Court shall follow the person's competently expressed written or oral preferences regarding medication, if any, unless the ~~commissioner~~ Commissioner demonstrates that the person's medication preferences have not led to a significant clinical improvement in the person's mental state in the past within an appropriate period of time.

(c) If the ~~court~~ Court finds that there are no medication preferences or that the person's medication preferences have not led to a significant clinical improvement in the person's mental state in the past within an appropriate period of time, the ~~court~~ Court shall consider at a minimum, in addition to the person's expressed preferences, the following factors:

(1) ~~The~~ the person's religious convictions and whether they contribute to the person's refusal to accept medication-;

(2) ~~The~~ the impact of receiving medication or not receiving medication on the person's relationship with his or her family or household members whose opinion the ~~court~~ Court finds relevant and credible based on the nature of the relationship-;

(3) ~~The~~ the likelihood and severity of possible adverse ~~side-effects~~ side effects from the proposed medication-;

(4) ~~The~~ the risks and benefits of the proposed medication and its effect on:

(A) the person's prognosis; and

(B) the person's health and safety, including any pregnancy-; and

(5) ~~The~~ the various treatment alternatives available, which may or may not include medication.

(d) As a threshold matter, the Court shall consider the person's competency. If the ~~court~~ Court finds that the person is competent to make a decision regarding the proposed treatment or that involuntary medication is not supported by the factors in subsection (c) of this section, the ~~court~~ Court shall enter a finding to that effect and deny the petition.

(e) As a threshold matter, the Court shall consider the person's competency. If the ~~court~~ Court finds that the person is incompetent to make a decision regarding the proposed treatment and that involuntary medication is

supported by the factors in subsection (c) of this section, the ~~court~~ Court shall make specific findings stating the reasons for the involuntary medication by referencing those supporting factors.

(f)(1) If the ~~court~~ Court grants the petition, in whole or in part, the ~~court~~ Court shall enter an order authorizing the ~~commissioner~~ Commissioner to administer involuntary medication to the person. The order shall specify the types of medication, the permitted dosage range, length of administration, and method of administration for each. The order for involuntary medication shall not include electric convulsive therapy, surgery, or experimental medications. A long-acting injection shall not be ordered without clear and convincing evidence, particular to the patient, that this treatment is the most appropriate under the circumstances.

(2) The order shall require the person's treatment provider to conduct ~~monthly~~ weekly reviews of the medication to assess the continued need for involuntary medication, the effectiveness of the medication, the existence of any side effects, and whether the patient has become competent pursuant to subsection 7625(c) of this title, and shall document this review in detail in the patient's chart and provide the person's attorney with a copy of the documentation within five days of its production.

(g) For a person receiving treatment pursuant to an order of hospitalization, the ~~commissioner~~ Commissioner may administer involuntary medication as authorized by this section to the person for up to 90 days, unless the ~~court~~ Court finds that an order is necessary for a longer period of time. Such an order shall not be longer than the duration of the current order of hospitalization. If at any time a treatment provider finds that a person subject to an order for involuntary medication has become competent pursuant to subsection 7625(c) of this title, the order shall no longer be in effect.

* * *

Sec. 16. 18 V.S.A. § 7629 is amended to read:

§ 7629. LEGISLATIVE INTENT

(a) ~~It is the intention of the general assembly to recognize the right of a legally competent person to determine whether or not to accept medical treatment, including involuntary medication, absent an emergency or a determination that the person is incompetent and lacks the ability to make a decision and appreciate the consequences.~~ The State of Vermont recognizes the fundamental right of a person to determine the extent of health care the person will receive, including treatment provided during periods of lack of competency that the person expressed a desire for when he or she was competent.

~~(b) This act protects this right through a judicial proceeding prior to the use of nonemergency involuntary medication and by limiting the duration of an order for involuntary treatment to no more than one year. The least restrictive conditions consistent with the person's right to adequate treatment shall be provided in all cases. The General Assembly adopts the goal of high-quality, patient-centered health care, which the Institute of Medicine defines as "providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions."~~

(c) It is the policy of the ~~general assembly~~ General Assembly to work ~~towards~~ toward a mental health system that does not require coercion or the use of involuntary medication when a person is opposing it. The distress and insult to human dignity that results from compelling a person to participate in medical procedures against his or her will are real regardless of how poorly the person may understand the procedures or how confused or mistaken the person may be about the procedures.

~~(d) This act will render the J. L. v. Miller consent judgment no longer applicable. This chapter protects the rights and values described in this section through a judicial process to determine competence prior to an order for nonemergency involuntary medication and by limiting the duration of an order for involuntary treatment to no more than one year. The least restrictive order consistent with the person's right to adequate treatment shall be provided in all cases.~~

Sec. 17. 18 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

As used in this chapter:

* * *

(21) "Ombudsman" means an individual appointed as a long-term care ombudsman under the Program contracted through the Department of Disabilities, Aging, and Independent Living pursuant to the Older Americans Act of 1965, as amended or the agency designated as the Office of the Mental Health Care Ombudsman pursuant to section 7259 of this title.

* * *

(32) "Patient representative" means the mental health patient representative established by section 7253 of this title.

Sec. 18. 18 V.S.A. § 9703 is amended to read:

§ 9703. FORM AND EXECUTION

* * *

(d) An advance directive shall not be effective if, at the time of execution, the principal is being admitted to or is a resident of a nursing home as defined in 33 V.S.A. § 7102 or a residential care facility unless an ombudsman, a patient representative, a recognized member of the clergy, an attorney licensed to practice in this ~~state~~ State, or a ~~probate division of the superior court~~ Probate Division of the Superior Court designee signs a statement affirming that he or she has explained the nature and effect of the advance directive to the principal. It is the intent of this subsection to ensure that residents of nursing homes and residential care facilities are willingly and voluntarily executing advance directives.

(e) An advance directive shall not be effective if, at the time of execution, the principal is being admitted to or is a patient in a hospital, unless an ombudsman, a patient representative, a recognized member of the clergy, an attorney licensed to practice in this ~~state~~ State, a ~~probate division of the superior court~~ Probate Division of the Superior Court designee, or an individual designated under subsection 9709(c) of this title by the hospital signs a statement that he or she has explained the nature and effect of the advance directive to the principal.

* * *

Sec. 19. 18 V.S.A. § 9706(c) is amended to read:

(c) Upon a determination of need by the principal's clinician, or upon the request of the principal, agent, guardian, ombudsman, patient representative, health care provider, or any interested individual, the principal's clinician, another clinician, or a clinician's designee shall reexamine the principal to determine whether the principal has capacity. The clinician shall document the results of the reexamination in the principal's medical record and shall make reasonable efforts to notify the principal and the agent or guardian, as well as the individual who initiated the new determination of capacity, of the results of the reexamination, if providing such notice is consistent with the requirements of HIPAA.

Sec. 20. 18 V.S.A. § 9707(h) is amended to read:

(h)(1) An advance directive executed in accordance with section 9703 of this title may contain a provision permitting the agent, in the event that the principal lacks capacity, to authorize or withhold health care over the principal's objection. In order to be valid, the provision shall comply with the following requirements:

(A) An agent shall be named in the provision.

(B) The agent shall accept in writing the responsibility of authorizing or withholding health care over the principal's objection in the event the principal lacks capacity.

(C) A clinician for the principal shall sign the provision and affirm that the principal appeared to understand the benefits, risks, and alternatives to the health care being authorized or rejected by the principal in the provision.

(D)(i) An ombudsman, a patient representative ~~recognized member of the clergy~~, attorney licensed to practice law in this ~~state~~ State, or ~~probate division of the superior court~~ Probate Division of the Superior Court designee shall sign a statement affirming that he or she has explained the nature and effect of the provision to the principal, and that the principal appeared to understand the explanation and be free from duress or undue influence.

(ii) If the principal is a patient in a hospital when the provision is executed, the ombudsman, patient representative ~~recognized member of the clergy~~, attorney, or ~~probate division of the superior court~~ Probate Division of the Superior Court designee shall be independent of the hospital and not an interested individual.

(E) The provision shall specify the treatments to which it applies, and shall include an explicit statement that the principal desires or does not desire the proposed treatments even over the principal's objection at the time treatment is being offered or withheld. The provision may include a statement expressly granting to the health care agent the authority to consent to the principal's voluntary hospitalization, ~~and to agree that the principal's discharge from the hospital may be delayed, pursuant to section 8010 of this title.~~

(F) The provision shall include an acknowledgment that the principal is knowingly and voluntarily waiving the right to refuse or receive treatment at a time of incapacity, and that the principal understands that a clinician will determine capacity.

(2) A provision executed in compliance with subdivision (1) of this subsection shall be effective when the principal's clinician and a second clinician have determined pursuant to subdivision 9706(a)(1) of this title that the principal lacks capacity.

(3) If an advance directive contains a provision executed in compliance with this section:

(A) The agent may, in the event the principal lacks capacity, make health care decisions over the principal's objection, provided that the decisions are made in compliance with subsection 9711(d) of this title.

(B) A clinician shall follow instructions of the agent authorizing or withholding health care over the principal's objection.

Sec. 21. 18 V.S.A. § 9718(a) is amended to read:

(a) A petition may be filed in ~~probate division of the superior court~~ Probate Division of the Superior Court under this section by:

(1) a principal, guardian, agent, ombudsman, a patient representative, or interested individual other than one identified in an advance directive, pursuant to subdivision 9702(a)(10) of this title, as not authorized to bring an action under this section;

(2) a social worker or health care provider employed by or directly associated with the health care provider, health care facility, or residential care facility providing care to the principal;

(3) the ~~defender general~~ Defender General if the principal is in the custody of the ~~department of corrections~~ Department of Corrections;

(4) a representative of the ~~state designated~~ State-designated protection and advocacy system if the principal is in the custody of the ~~department of health~~ Department of Health; or

(5) an individual or entity identified in an advance directive, pursuant to subdivision 9702(a)(10) of this title, as authorized to bring an action under this section.

Sec. 22. Rule 12 of the Vermont Rules for Family Proceedings is amended to read:

Rule 12. STAY OF PROCEEDINGS TO ENFORCE A JUDGMENT

(a) Automatic Stay Prior to Appeal; Exceptions.

(1) Automatic Stay. Except as provided in paragraph (2) of this subdivision and in subdivision (c), no execution shall issue upon a judgment nor shall proceedings be taken for its enforcement until the expiration of 30 days after its entry or until the time for appeal from the judgment as extended by Appellate Rule 4 has expired.

(2) Exceptions. Unless otherwise ordered by the court, none of the following orders shall be stayed during the period after its entry and until an appeal is taken:

(A) In an action under Rule 4 of these rules, an order relating to parental rights and responsibilities and support of minor children or to separate support of a spouse (including maintenance) or to personal liberty or to the dissolution of marriage;

(B) An order of involuntary treatment, involuntary medication, nonhospitalization, or hospitalization, in an action pursuant to 18 V.S.A. §§ ~~7611-7623~~ chapter 181;

(C) Any order of disposition in a juvenile case, including an order terminating residual parental rights; or

(D) Any order in an action under Rule 9 of these rules for prevention of abuse, including such an action that has been consolidated or deemed consolidated with a proceeding for divorce or annulment pursuant to Rule 4(n).

The provisions of subdivision (d) of this rule govern the modification or enforcement of the judgment in an action under Rule 4 of these rules, during the pendency of an appeal.

* * *

(d) Stay Pending Appeal.

(1) Automatic Stay. In any action in which automatic stay prior to appeal is in effect pursuant to paragraph (1) or subdivision (a) of this rule, the taking of an appeal from a judgment shall operate as a stay of execution upon the judgment during the pendency of the appeal, and no supersedeas bond or other security shall be required as a condition of such stay.

(2) Other Actions.

(A) When an appeal has been taken from judgment in an action under Rule 4 of these rules in which no stay pursuant to paragraph (1) of subdivision (a) of this rule is in effect, the court in its discretion may, during the pendency of the appeal, grant or deny motions for modification or enforcement of that judgment.

(B)(i) When an appeal has been taken from an order for involuntary treatment, nonhospitalization, or hospitalization ~~or involuntary treatment~~, in an action pursuant to ~~chapter 181 of Title 18 V.S.A.~~ chapter 181, the court in its discretion may, during the pendency of the appeal, grant or deny applications for continued treatment, modify its order, or discharge the patient, as provided in 18 V.S.A. §§ 7617, 7618, 7620, and 7621.

(ii)(I) If an order of involuntary medication is appealed, the appellant may file a motion in the Family Division to stay the order during the pendency of the appeal. A motion to stay filed under this subdivision shall stay the involuntary medication order while the motion to stay is pending.

(II) The Family Division's ruling on a motion to stay filed under subdivision (I) of this subdivision (ii) may be modified or vacated by the Supreme Court upon motion by a party filed within seven days after the ruling

is issued. If the appellant is the moving party, the order for involuntary medication shall remain stayed until the Supreme Court rules on the motion to vacate or modify the stay. A motion to vacate or modify a stay under this subdivision shall be determined by a single Justice of the Supreme Court, who may hear the matter or at his or her discretion refer it to the entire Supreme Court for hearing. No further appeal may lie from the ruling of a single Justice in matters to which this subdivision applies. The motion shall be determined as soon as practicable and to the extent possible shall take priority over other matters.

* * *

Sec. 23. REPORT; EMERGENCY INVOLUNTARY PROCEDURES

On or before January 15, 2015, the Office of Legislative Council shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare that:

(1) identifies provisions in 2012 Acts and Resolves No. 79 which require that protections for psychiatric hospital patients meet or exceed those at the former Vermont State Hospital; and

(2) identifies policies that may require clarification of legislative intent in order for the Department of Mental Health to proceed with rulemaking pursuant to 2012 Acts and Resolves No.79, Sec. 33a.

Sec. 24. AVAILABILITY OF PSYCHIATRISTS FOR EXAMINATIONS

The Agency of Human Services shall ensure that Vermont Legal Aid's Mental Health Law Project has a sufficient number of psychiatrists to conduct psychiatric examinations pursuant to 18 V.S.A. § 7614 in the time frame established by 18 V.S.A. § 7615.

Sec. 25. LEGISLATIVE COUNCIL STATUTORY REVISION AUTHORITY

The Office of Legislative Council, in its statutory revision capacity, is authorized and directed to make such amendments to the Vermont Statutes Annotated as are necessary to effect the purpose of this act, including, where applicable, substituting the words "application for involuntary medication" and "application," as appropriate, for the words "petition for involuntary medication" and "petition."

Sec. 26. 1998 Acts and Resolves No. 114, Sec. 6 is amended to read:

Sec. 6. STUDY AND REPORT

(a) An annual independent study shall be commissioned by the ~~department of developmental and mental health services~~ Department of Mental Health which shall:

(1) evaluate and critique the performance of the institutions and staff of those institutions that are implementing the provisions of this act;

(2) include interviews with persons ~~subjected to orders of involuntary medication~~ subject to proceedings under 18 V.S.A. § 7624, regardless of whether involuntarily medicated, and their families on the outcome and effects of the order;

(3) include the steps taken by the ~~department~~ Department to achieve a mental health system free of coercion; and

(4) include any recommendations to change current practices or statutes.

(b) The person who performs the study shall prepare a report of the results of the study, which shall be filed with the ~~general assembly~~ General Assembly and the ~~department~~ Department annually on or before January 15.

(c) Interviews with patients pursuant to this section may be conducted with the assistance of the mental health patient representative established in 18 V.S.A. § 7253.

Sec. 27. SOTERIA HOUSE

If the Commissioner of Mental Health determines that Soteria House is available to accept residents prior to January 1, 2015 and there are funds available in the Department's budget to do so, the Commissioner shall prioritize the opening of Soteria House.

Sec. 28. EFFECTIVE DATES

(a) Except for Secs. 5 (application and certificate for emergency examination), 6 (warrant and certificate for emergency examination), and 7 (emergency examination and second certification), this act shall take effect on July 1, 2014.

(b) Secs. 5-7 shall take effect on November 1, 2014.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator White, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Rules Suspended; House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 252.

Pending entry on the Calendar for notice, on motion of Senator Campbell, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to financing for Green Mountain Care.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Intent and Principles * * *

Sec. 1. LEGISLATIVE INTENT; FINDINGS; PURPOSE

(a)(1) It is the intent of the General Assembly to continue moving forward toward implementation of Green Mountain Care, a publicly financed program of universal and unified health care.

(2) It is the intent of the General Assembly not to change in any way the benefits provided to Vermont residents by Medicare, the Federal Employees Health Benefit Program, TRICARE, a retiree health program, or any other health benefit program beyond the regulatory authority of the State of Vermont.

(b) The General Assembly finds that:

(1) It has been three years since the passage of 2011 Acts and Resolves No. 48 (Act 48), which established the Green Mountain Care Board, authorized payment reform initiatives, and created the framework for the Vermont Health Benefit Exchange and Green Mountain Care.

(2) The Green Mountain Care Board currently regulates health insurance rates, hospital budgets, and certificates of need. In 2013, the Green Mountain Care Board's hospital budget review limited hospital growth to 2.7 percent, the lowest annual growth rate in Vermont for at least the last 15 years. The Green Mountain Care Board issued four certificates of need and one conceptual development phase certificate of need. It also issued 31 health insurance rate decisions and reduced by approximately five percent the rates proposed by insurers in the Vermont Health Benefit Exchange.

(3) In 2013, Vermont was awarded a three-year State Innovation Model (SIM) grant of \$45 million to improve health and health care and to lower costs for Vermont residents. The grant funds the creation of a sustainable model of multi-payer payment and delivery reform, encouraging providers to change the way they do business in order to deliver the right care at the right time in the right setting. The State has created a 300-person public-private stakeholder group to work collaboratively on creating appropriate payment and delivery system models. Through this structure, care management models are being coordinated across State agencies and health care providers, including the Blueprint for Health, the Vermont Chronic Care Initiative, and accountable care organizations.

(4) From the SIM grant funds, the State recently awarded \$2.6 million in grants to health care providers for innovative pilot programs improving care delivery or for creating the capacity and infrastructure for care delivery reforms.

(5) Three accountable care organizations (ACOs) have formed in Vermont: one led by hospitals, one led by federally qualified health centers, and one led by independent physicians. The Green Mountain Care Board has approved payment and quality measures for ACOs, which create substantial uniformity across payers and will provide consistent measurements for health care providers.

(6) The Vermont Health Benefit Exchange has completed its first open enrollment period. Vermont has more people enrolled through its Exchange per capita than are enrolled in any other state-based Exchange, but many Vermonters experienced difficulties during the enrollment period and not all aspects of Vermont's Exchange are fully functional.

(7) According to the 2013 Blueprint for Health Annual Report, Vermont residents receiving care from a patient-centered medical home and community health team had favorable outcomes over comparison groups in reducing expenditures and reducing inpatient hospitalizations. As of December 31, 2013, 121 primary care practices were participating in the Blueprint for Health, serving approximately 514,385 Vermonters.

(8) The Agency of Human Services has adopted the modified adjusted gross income standard under the Patient Protection and Affordable Care Act, further streamlining the Medicaid application process.

(9) Vermonters currently spend over \$2.5 billion per year on private funding of health care through health insurance premiums and out-of-pocket expenses. Act 48 charts a course toward replacing that spending with a publicly financed system.

(10) There is no legislatively determined time line in Act 48 for the implementation of Green Mountain Care. A set of triggers focusing on decisions about financing, covered services, benefit design, and the impacts of Green Mountain Care must be satisfied, and a federal waiver received, before launching Green Mountain Care. In addition, the Green Mountain Care Board must be satisfied that reimbursement rates for providers will be sufficient to recruit and retain a strong health care workforce to meet the needs of all Vermonters.

(11) Act 48 required the Secretary of Administration to provide a financing plan for Green Mountain Care by January 15, 2013. The financing plan delivered on January 24, 2013 did not "recommend the amounts and

necessary mechanisms to finance Green Mountain Care and any systems improvements needed to achieve a public-private universal health care system,” or recommend solutions to cross-border issues, as required by Sec. 9 of Act 48. The longer it takes the Secretary to produce a complete financing plan, the longer it will be until Green Mountain Care can be implemented.

(c) In order to implement the next steps envisioned by Act 48 successfully, it is appropriate to update the assumptions and cost estimates that formed the basis for that act, evaluate the success of existing health care reform efforts, and obtain information relating to key outstanding policy decisions. It is the intent of the General Assembly to obtain a greater understanding of the impact of health care reform efforts currently under way and to take steps toward implementation of the universal and unified health system envisioned by Act 48.

(d) Before making final decisions about the financing for Green Mountain Care, the General Assembly must have accurate data on the direct and indirect costs of the current health care system and how the new system will impact individual decisions about accessing care.

(e) The General Assembly also must consider the benefits and risks of a new health care system on Vermont’s businesses when there are new public financing mechanisms in place, when businesses no longer carry the burden of providing health coverage, when employees no longer fear losing coverage when they change jobs, and when business start-ups no longer have to consider health coverage.

(f) The General Assembly must ensure that Green Mountain Care does not go forward if the financing is not sufficient, fair, predictable, transparent, sustainable, and shared equitably.

(g) The General Assembly must be satisfied that an appropriate plan of action is in place in order to accomplish the transitions needed for successful implementation of Green Mountain Care.

Sec. 2. PRINCIPLES FOR HEALTH CARE FINANCING

The General Assembly adopts the following principles to guide the financing of health care in Vermont:

(1) All Vermont residents have the right to high-quality health care.

(2) All Vermont residents shall contribute to the financing for Green Mountain Care through taxes that are levied equitably, taking into account an individual’s ability to pay and the value of the health benefits provided so that access to health care will not be limited by cost barriers.

(3) The financing system shall maximize opportunities to take advantage of federal tax credits and deductions.

(4) As provided in 33 V.S.A. § 1827, Green Mountain Care shall be the payer of last resort for Vermont residents who continue to receive health care through plans provided by an employer, by a federal health benefit plan, by Medicare, by a foreign government, or as a retirement benefit.

(5) Vermont's system for financing health care shall raise revenue sufficient to provide medically necessary health care services to all Vermont residents, including:

(A) ambulatory patient services;

(B) emergency services;

(C) hospitalization;

(D) maternity and newborn care;

(E) mental health and substance use disorder services, including behavioral health treatment;

(F) prescription drugs;

(G) rehabilitative and habilitative services and devices;

(H) laboratory services;

(I) preventive and wellness services and chronic care management; and

(J) pediatric services, including oral and vision care.

* * * Vermont Health Benefit Exchange * * *

Sec. 3. 33 V.S.A. § 1803 is amended to read:

§ 1803. VERMONT HEALTH BENEFIT EXCHANGE

* * *

(b)(1)(A) The Vermont Health Benefit Exchange shall provide qualified individuals and qualified employers with qualified health benefit plans, including the multistate plans required by the Affordable Care Act, with effective dates beginning on or before January 1, 2014. The Vermont Health Benefit Exchange may contract with qualified entities or enter into intergovernmental agreements to facilitate the functions provided by the Vermont Health Benefit Exchange.

* * *

(4) To the extent permitted by the U.S. Department of Health and Human Services, the Vermont Health Benefit Exchange shall permit qualified employers to purchase qualified health benefit plans through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

* * *

Sec. 4. 33 V.S.A. § 1811(b) is amended to read:

(b)(1) No person may provide a health benefit plan to an individual or small employer unless the plan is offered through the Vermont Health Benefit Exchange and complies with the provisions of this subchapter.

(2) To the extent permitted by the U.S. Department of Health and Human Services, a small employer or an employee of a small employer may purchase a health benefit plan through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

(3) No person may provide a health benefit plan to an individual or small employer unless the plan complies with the provisions of this subchapter.

Sec. 5. PURCHASE OF SMALL GROUP PLANS DIRECTLY FROM CARRIERS

To the extent permitted by the U.S. Department of Health and Human Services and notwithstanding any provision of State law to the contrary, the Department of Vermont Health Access shall permit employers purchasing qualified health benefit plans on the Vermont Health Benefit Exchange to purchase the plans through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

Sec. 6. OPTIONAL EXCHANGE COVERAGE FOR EMPLOYERS WITH UP TO 100 EMPLOYEES

(a)(1) If permitted under federal law and notwithstanding any provision of Vermont law to the contrary, prior to January 1, 2016, health insurers may offer health insurance plans through or outside the Vermont Health Benefit Exchange to employers that employed an average of at least 51 but not more than 100 employees on working days during the preceding calendar year. Calculation of the number of employees shall not include a part-time employee who works fewer than 30 hours per week or a seasonal worker as defined in 26 U.S.C. § 4980H(c)(2)(B).

(2) Health insurers may make Exchange plans available to an employer described in subdivision (1) of this subsection if the employer:

(A) has its principal place of business in this State and elects to provide coverage for its eligible employees through the Vermont Health Benefit Exchange, regardless of where an employee resides; or

(B) elects to provide coverage through the Vermont Health Benefit Exchange for all of its eligible employees who are principally employed in this State.

(3) Beginning on January 1, 2016, health insurers may only offer health insurance plans to the employers described in this subsection through the Vermont Health Benefit Exchange in accordance with 33 V.S.A. chapter 18, subchapter 1.

(b)(1) As soon as permitted under federal law and notwithstanding any provision of Vermont law to the contrary, prior to January 1, 2016, employers may purchase health insurance plans through or outside the Vermont Health Benefit Exchange if they employed an average of at least 51 but not more than 100 employees on working days during the calendar year. Calculation of the number of employees shall not include a part-time employee who works fewer than 30 hours per week or a seasonal worker as defined in 26 U.S.C. § 4980H(c)(2)(B).

(2) An employer of the size described in subdivision (1) of this subsection may purchase coverage for its employees through the Vermont Health Benefit Exchange if the employer:

(A) has its principal place of business in this State and elects to provide coverage for its eligible employees through the Vermont Health Benefit Exchange, regardless of where an employee resides; or

(B) elects to provide coverage through the Vermont Health Benefit Exchange for all of its eligible employees who are principally employed in this State.

* * * Health Insurance Rate Review * * *

Sec. 6a. 8 V.S.A. § 4062(h) is amended to read:

(h)(1) This ~~The~~ authority of the Board under this section shall apply only to the rate review process for policies for major medical insurance coverage and shall not apply to the policy forms for major medical insurance coverage or to the rate and policy form review process for policies for specific disease, accident, injury, hospital indemnity, dental care, vision care, disability income, long-term care, student health insurance coverage, or other limited benefit coverage; to Medicare supplemental insurance; ~~or to benefit plans that are paid directly to an individual insured or to his or her assigns and for which the amount of the benefit is not based on potential medical costs or actual costs incurred.~~

(2) The policy forms for major medical insurance coverage, as well as the policy forms, premium rates, and rules for the classification of risk for the other lines of insurance described in subdivision (1) of this subsection shall be reviewed and approved or disapproved by the Commissioner. In making his or her determination, the Commissioner shall consider whether a policy form, premium rate, or rule is affordable and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this State. The Commissioner shall make his or her determination within 30 days after the date the insurer filed the policy form, premium rate, or rule with the Department. At the expiration of the 30-day period, the form, premium rate, or rule shall be deemed approved unless prior thereto it has been affirmatively approved or disapproved by the Commissioner or found to be incomplete. The Commissioner shall notify an insurer in writing if the insurer files any form, premium rate, or rule containing a provision that does not meet the standards expressed in this subsection. In such notice, the Commissioner shall state that a hearing will be granted within 20 days upon the insurer's written request.

(3) Medicare supplemental insurance policies shall be exempt only from the requirement in subdivisions (a)(1) and (2) of this section for the Green Mountain Care Board's approval on rate requests and shall be subject to the remaining provisions of this section.

* * * Green Mountain Care * * *

Sec. 7. UPDATES ON TRANSITION TO GREEN MOUNTAIN CARE

(a) The Secretary of Administration or designee shall provide updates at least quarterly to the House Committees on Health Care and on Ways and Means and the Senate Committees on Health and Welfare and on Finance regarding the Agency's progress to date on:

(1) determining the elements of Green Mountain Care, such as claims administration and provider relations, for which the Agency plans to solicit bids for administration pursuant to 33 V.S.A. § 1827(a), and preparing a description of the job or jobs to be performed, the bid qualifications, and the criteria by which bids will be evaluated; and

(2) developing a proposal to transition to and fully implement Green Mountain Care as required by Sec. 26 of this act.

(b) The Green Mountain Care Board shall provide updates at least quarterly to the House Committees on Health Care and on Ways and Means and the Senate Committees on Health and Welfare and on Finance regarding the Board's progress to date on:

(1) defining the Green Mountain Care benefit package;

(2) deciding whether to include dental, vision, hearing, and long-term care benefits in Green Mountain Care;

(3) determining whether and to what extent to impose cost-sharing requirements in Green Mountain Care; and

(4) making the determinations required for Green Mountain Care implementation pursuant to 33 V.S.A. § 1822(a)(5).

Sec. 8. 33 V.S.A. § 1825 is amended to read:

§ 1825. HEALTH BENEFITS

(a)(1) Green Mountain Care shall include primary care, preventive care, chronic care, acute episodic care, and hospital services and shall include at least the same covered services as ~~those included in the benefit package in effect for the lowest cost Catamount Health plan offered on January 1, 2011~~ are available in the benchmark plan for the Vermont Health Benefit Exchange.

(2) It is the intent of the General Assembly that Green Mountain Care provide a level of coverage that includes benefits that are actuarially equivalent to at least 87 percent of the full actuarial value of the covered health services.

(3) The Green Mountain Care Board shall consider whether to impose cost-sharing requirements; if so, ~~whether~~ how to make the cost-sharing requirements income-sensitized; and the impact of any cost-sharing requirements on an individual's ability to access care. The Board shall consider waiving any cost-sharing requirement for evidence-based primary and preventive care; for palliative care; and for chronic care for individuals participating in chronic care management and, where circumstances warrant, for individuals with chronic conditions who are not participating in a chronic care management program.

(4)(A) The Green Mountain Care Board established in 18 V.S.A. chapter 220 shall consider whether to include dental, vision, and hearing benefits in the Green Mountain Care benefit package.

(B) The Green Mountain Care Board shall consider whether to include long-term care benefits in the Green Mountain Care benefit package.

(5) Green Mountain Care shall not limit coverage of preexisting conditions.

(6) The Green Mountain Care ~~board~~ Board shall approve the benefit package and present it to the General Assembly as part of its recommendations for the Green Mountain Care budget.

(b)(1)(A) For individuals eligible for Medicaid or CHIP, the benefit package shall include the benefits required by federal law, as well as any

additional benefits provided as part of the Green Mountain Care benefit package.

(B) Upon implementation of Green Mountain Care, the benefit package for individuals eligible for Medicaid or CHIP shall also include any optional Medicaid benefits pursuant to 42 U.S.C. § 1396d or services covered under the State plan for CHIP as provided in 42 U.S.C. § 1397cc for which these individuals are eligible on January 1, 2014. Beginning with the second year of Green Mountain Care and going forward, the Green Mountain Care Board may, consistent with federal law, modify these optional benefits, as long as at all times the benefit package for these individuals contains at least the benefits described in subdivision (A) of this subdivision (b)(1).

(2) For children eligible for benefits paid for with Medicaid funds, the benefit package shall include early and periodic screening, diagnosis, and treatment services as defined under federal law.

(3) For individuals eligible for Medicare, the benefit package shall include the benefits provided to these individuals under federal law, as well as any additional benefits provided as part of the Green Mountain Care benefit package.

Sec. 9. 33 V.S.A. § 1827 is amended to read:

§ 1827. ADMINISTRATION; ENROLLMENT

(a)(1) The Agency shall, under an open bidding process, solicit bids from and award contracts to public or private entities for administration of certain elements of Green Mountain Care, such as claims administration and provider relations.

(2) The Agency shall ensure that entities awarded contracts pursuant to this subsection do not have a financial incentive to restrict individuals' access to health services. The Agency may establish performance measures that provide incentives for contractors to provide timely, accurate, transparent, and courteous services to individuals enrolled in Green Mountain Care and to health care professionals.

(3) When considering contract bids pursuant to this subsection, the Agency shall consider the interests of the State relating to the economy, the location of the entity, and the need to maintain and create jobs in Vermont. The ~~agency~~ Agency may utilize an econometric model to evaluate the net costs of each contract bid.

* * *

(e) [Repealed.]

(f) Green Mountain Care shall be the ~~secondary~~ payer of last resort with respect to any health service that may be covered in whole or in part by any other health benefit plan, including Medicare, private health insurance, retiree health benefits, or federal health benefit plans offered by ~~the Veterans' Administration~~, by the military; or to federal employees.

* * *

Sec. 10. CONCEPTUAL WAIVER APPLICATION

On or before November 15, 2014, the Secretary of Administration or designee shall submit to the federal Center for Consumer Information and Insurance Oversight a conceptual waiver application expressing the intent of the State of Vermont to pursue a Waiver for State Innovation pursuant to Sec. 1332 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, and the State's interest in commencing the application process.

* * * Employer Assessment * * *

Sec. 11. 21 V.S.A. § 2003(b) is amended to read:

(b) For ~~any~~ each quarter in fiscal ~~years 2007 and 2008~~ year 2015, the amount of the Health Care Fund contribution shall be ~~\$91.25~~ \$133.30 for each full-time equivalent employee in excess of ~~eight~~ four. For each fiscal year after fiscal year ~~2008~~, ~~the number of excluded full-time equivalent employees shall be adjusted in accordance with subsection (a) of this section, and~~ 2015, the amount of the Health Care Fund contribution shall be adjusted by a percentage equal to any percentage change in premiums for the second lowest cost silver-level plan in the Vermont Health Benefit Exchange.

* * * Green Mountain Care Board * * *

Sec. 12. 18 V.S.A. § 9375(b) is amended to read:

(b) The Board shall have the following duties:

* * *

(4) Review the Health Resource Allocation Plan created in chapter 221 of this title, including conducting regular assessments of the range and depth of health needs among the State's population and developing a plan for allocating resources over a reasonable period of time to meet those needs.

* * *

Sec. 13. 18 V.S.A. § 9375(d) is amended to read:

(d) Annually on or before January 15, the Board shall submit a report of its activities for the preceding calendar year to the House Committee on Health Care ~~and~~, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee.

* * *

Sec. 14. 2000 Acts and Resolves No. 152, Sec. 117b, as amended by 2013 Acts and Resolves No. 79, Sec, 42, is further amended to read:

Sec. 117b. MEDICAID COST SHIFT REPORTING

* * *

(b) Notwithstanding 2 V.S.A. § 20(d), annually on or before ~~December~~ January 15, the ~~chair~~ Chair of the Green Mountain Care Board, the Commissioner of Vermont Health Access, and each acute care hospital shall file with the Joint Fiscal Committee, the House Committee on Health Care, and the Senate Committee on Health and Welfare, in the manner required by the Joint Fiscal Committee, such information as is necessary to carry out the purposes of this section. Such information shall pertain to the provider delivery system to the extent it is available. The Green Mountain Care Board may satisfy its obligations under this section by including the information required by this section in the annual report required by 18 V.S.A. § 9375(d).

* * *

Sec. 15. 2013 Acts and Resolves No. 79, Sec. 5b is amended to read:

Sec. 5b. STANDARDIZED HEALTH INSURANCE CLAIMS AND EDITS

(a)(1) As part of moving away from fee-for-service and toward other models of payment for health care services in Vermont, the Green Mountain Care Board, in consultation with the Department of Vermont Health Access, health care providers, health insurers, and other interested stakeholders, shall develop a complete set of standardized edits and payment rules based on Medicare or on another set of standardized edits and payment rules appropriate for use in Vermont. The Board and the Department shall adopt by rule the standards and payment rules that health care providers, health insurers, Medicaid, and other payers shall use beginning on ~~January 1, 2015~~ and that Medicaid shall use beginning on January 1, 2017.

* * *

* * * Certificates of Need * * *

Sec. 15a. 18 V.S.A. § 9432 is amended to read:

§ 9432. DEFINITIONS

As used in this subchapter:

* * *

(8) “Health care facility” means all persons or institutions, including mobile facilities, whether public or private, proprietary or not for profit, which offer diagnosis, treatment, inpatient, or ambulatory care to two or more unrelated persons, and the buildings in which those services are offered. The term shall not apply to any institution operated by religious groups relying solely on spiritual means through prayer for healing, but shall include ~~but is not limited to:~~

(A) hospitals, including general hospitals, mental hospitals, chronic disease facilities, birthing centers, maternity hospitals, and psychiatric facilities including any hospital conducted, maintained, or operated by the ~~state~~ State of Vermont, or its subdivisions, or a duly authorized agency thereof; and

(B) nursing homes, health maintenance organizations, home health agencies, outpatient diagnostic or therapy programs, kidney disease treatment centers, mental health agencies or centers, diagnostic imaging facilities, independent diagnostic laboratories, cardiac catheterization laboratories, radiation therapy facilities, ~~or~~ and any inpatient or ambulatory surgical, diagnostic, or treatment center, including non-emergency walk-in centers.

* * *

(15) “Non-emergency walk-in center” means an outpatient or ambulatory diagnostic or treatment center at which a patient without making an appointment may receive medical care that is not of an emergency, life-threatening nature. The term includes facilities that are self-described as urgent care centers, retail health clinics, and convenient care clinics.

Sec. 15b. 18 V.S.A. § 9434 is amended to read:

§ 9434. CERTIFICATE OF NEED; GENERAL RULES

(a) A health care facility other than a hospital shall not develop, or have developed on its behalf a new health care project without issuance of a certificate of need by the board. ~~For purposes of~~ As used in this subsection, a “new health care project” includes the following:

* * *

(6) The construction, development, purchase, lease, or other establishment of an ambulatory surgical center or non-emergency walk-in center.

* * *

Sec. 15c. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

(a) Excluded from this subchapter are offices of physicians, dentists, or other practitioners of the healing arts, meaning the physical places which are occupied by such providers on a regular basis in which such providers perform the range of diagnostic and treatment services usually performed by such providers on an outpatient basis unless they are subject to review under subdivision 9434(a)(4) of this title.

* * *

(c) The provisions of subsection (a) of this section shall not apply to offices owned, operated, or leased by a hospital or its subsidiary, parent, or holding company, outpatient diagnostic or therapy programs, kidney disease treatment centers, independent diagnostic laboratories, cardiac catheterization laboratories, radiation therapy facilities, ambulatory surgical centers, non-emergency walk-in centers, and diagnostic imaging facilities and similar facilities owned or operated by a physician, dentist, or other practitioner of the healing arts.

* * *

Sec. 15d. 18 V.S.A. § 9492 is added to read:

§ 9492. NON-EMERGENCY WALK-IN CENTERS; NON-DISCRIMINATION

A non-emergency walk-in center, as defined in subdivision 9432(15) of this title, shall accept patients of all ages for diagnosis and treatment of illness, injury, and disease during all hours that the center is open to see patients. A non-emergency walk-in center shall not discriminate against any patient or prospective patient on the basis of insurance status or type of health coverage.

* * * Pharmacy Benefit Managers * * *

Sec. 16. 18 V.S.A. § 9472 is amended to read:

§ 9472. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES WITH RESPECT TO HEALTH INSURERS

(c) ~~Unless the contract provides otherwise,~~ a A pharmacy benefit manager that provides pharmacy benefit management for a health plan shall:

(1) Provide all financial and utilization information requested by a health insurer relating to the provision of benefits to beneficiaries through that health insurer's health plan and all financial and utilization information relating to services to that health insurer. A pharmacy benefit manager providing information under this subsection may designate that material as confidential. Information designated as confidential by a pharmacy benefit manager and provided to a health insurer under this subsection may not be disclosed by the health insurer to any person without the consent of the pharmacy benefit manager, except that disclosure may be made by the health insurer:

(A) in a court filing under the consumer protection provisions of 9 V.S.A. chapter 63, provided that the information shall be filed under seal and that prior to the information being unsealed, the court shall give notice and an opportunity to be heard to the pharmacy benefit manager on why the information should remain confidential;

(B) when authorized by 9 V.S.A. chapter 63;

(C) when ordered by a court for good cause shown; or

(D) when ordered by the ~~commissioner~~ Commissioner as to a health insurer as defined in subdivision 9471(2)(A) of this title pursuant to the provisions of Title 8 and this title.

(2) Notify a health insurer in writing of any proposed or ongoing activity, policy, or practice of the pharmacy benefit manager that presents, directly or indirectly, any conflict of interest with the requirements of this section.

(3) With regard to the dispensation of a substitute prescription drug for a prescribed drug to a beneficiary in which the substitute drug costs more than the prescribed drug and the pharmacy benefit manager receives a benefit or payment directly or indirectly, disclose to the health insurer the cost of both drugs and the benefit or payment directly or indirectly accruing to the pharmacy benefit manager as a result of the substitution.

(4) ~~If~~ Unless the contract provides otherwise, if the pharmacy benefit manager derives any payment or benefit for the dispensation of prescription drugs within the ~~state~~ State based on volume of sales for certain prescription drugs or classes or brands of drugs within the ~~state~~ State, pass that payment or benefit on in full to the health insurer.

(5) Disclose to the health insurer all financial terms and arrangements for remuneration of any kind that apply between the pharmacy benefit manager and any prescription drug manufacturer that relate to benefits provided to beneficiaries under or services to the health insurer's health plan, including

formulary management and drug-switch programs, educational support, claims processing, and pharmacy network fees charged from retail pharmacies and data sales fees. A pharmacy benefit manager providing information under this subsection may designate that material as confidential. Information designated as confidential by a pharmacy benefit manager and provided to a health insurer under this subsection may not be disclosed by the health insurer to any person without the consent of the pharmacy benefit manager, except that disclosure may be made by the health insurer:

(A) in a court filing under the consumer protection provisions of 9 V.S.A. chapter 63, provided that the information shall be filed under seal and that prior to the information being unsealed, the court shall give notice and an opportunity to be heard to the pharmacy benefit manager on why the information should remain confidential;

(B) when authorized by 9 V.S.A. chapter 63;

(C) when ordered by a court for good cause shown; or

(D) when ordered by the ~~commissioner~~ Commissioner as to a health insurer as defined in subdivision 9471(2)(A) of this title pursuant to the provisions of Title 8 and this title.

(d) At least annually, a pharmacy benefit manager that provides pharmacy benefit management for a health plan shall disclose to the health insurer, the Department of Financial Regulation, and the Green Mountain Care Board the aggregate amount the pharmacy benefit manager retained on all claims charged to the health insurer for prescriptions filled during the preceding calendar year in excess of the amount the pharmacy benefit manager reimbursed pharmacies.

(e) Compliance with the requirements of this section is required for pharmacy benefit managers entering into contracts with a health insurer in this ~~state~~ State for pharmacy benefit management in this ~~state~~ State.

Sec. 17. 18 V.S.A. § 9473 is redesignated to read:

§ ~~9473~~ 9474. ENFORCEMENT

Sec. 18. 18 V.S.A. § 9473 is added to read:

§ 9473. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES WITH RESPECT TO PHARMACIES

(a) Within 14 calendar days following receipt of a pharmacy claim, a pharmacy benefit manager or other entity paying pharmacy claims shall do one of the following:

(1) Pay or reimburse the claim.

(2) Notify the pharmacy in writing that the claim is contested or denied. The notice shall include specific reasons supporting the contest or denial and a description of any additional information required for the pharmacy benefit manager or other payer to determine liability for the claim.

(b) A pharmacy benefit manager or other entity paying pharmacy claims shall:

(1) make available, in a format that is readily accessible and understandable by a pharmacist, a list of the drugs subject to maximum allowable cost, the actual maximum allowable cost for each drug, and the source used to determine the maximum allowable cost; and

(2) update the maximum allowable cost list at least once every seven calendar days.

(c) A pharmacy benefit manager or other entity paying pharmacy claims shall not:

(1) impose a higher co-payment for a prescription drug than the co-payment applicable to the type of drug purchased under the insured's health plan;

(2) impose a higher co-payment for a prescription drug than the maximum allowable cost for the drug; or

(3) require a pharmacy to pass through any portion of the insured's co-payment to the pharmacy benefit manager or other payer.

Sec. 19. 9 V.S.A. § 2466a is amended to read:

§ 2466a. CONSUMER PROTECTIONS; PRESCRIPTION DRUGS

(a) A violation of 18 V.S.A. § 4631 shall be considered a prohibited practice under section 2453 of this title.

(b) As provided in 18 V.S.A. § ~~9473~~ 9474, a violation of 18 V.S.A. § 9472 or ~~9473~~ shall be considered a prohibited practice under section 2453 of this title.

* * *

* * * Adverse Childhood Experiences * * *

Sec. 20. FINDINGS AND PURPOSE

(a) It is the belief of the General Assembly that controlling health care costs requires consideration of population health, particularly Adverse Childhood Experiences (ACEs).

(b) The ACE Questionnaire contains ten categories of questions for adults pertaining to abuse, neglect, and family dysfunction during childhood. It is used to measure an adult's exposure to traumatic stressors in childhood. Based on a respondent's answers to the Questionnaire, an ACE Score is calculated, which is the total number of ACE categories reported as experienced by a respondent.

(c) In a 1998 article entitled "Relationship of Childhood Abuse and Household Dysfunction to Many of the Leading Causes of Death in Adults" published in the American Journal of Preventive Medicine, evidence was cited of a "strong graded relationship between the breadth of exposure to abuse or household dysfunction during childhood and multiple risk factors for several of the leading causes of death in adults."

(d) The greater the number of ACEs experienced by a respondent, the greater the risk for the following health conditions and behaviors: alcoholism and alcohol abuse, chronic obstructive pulmonary disease, depression, obesity, illicit drug use, ischemic heart disease, liver disease, intimate partner violence, multiple sexual partners, sexually transmitted diseases, smoking, suicide attempts, and unintended pregnancies.

(e) ACEs are implicated in the ten leading causes of death in the United States and with an ACE score of six or higher, an individual has a 20-year reduction in life expectancy.

(f) An individual with an ACE score of two is twice as likely to experience rheumatic disease. An individual with an ACE score of four has a three-to-four-times higher risk of depression; is five times more likely to become an alcoholic; is eight times more likely to experience sexual assault; and is up to ten times more likely to attempt suicide. An individual with an ACE score of six or higher is 2.6 times more likely to experience chronic obstructive pulmonary disease; is three times more likely to experience lung cancer; and is 46 times more likely to abuse intravenous drugs. An individual with an ACE score of seven or higher is 31 times more likely to attempt suicide.

(g) Physical, psychological, and emotional trauma during childhood may result in damage to multiple brain structures and functions.

(h) ACEs are common in Vermont. In 2011, the Vermont Department of Health reported that 58 percent of Vermont adults experienced at least one adverse event during their childhood, and that 14 percent of Vermont adults have experienced four or more adverse events during their childhood. Seventeen percent of Vermont women have four or more ACEs.

(i) The impact of ACEs is felt across all socioeconomic boundaries.

(j) The earlier in life an intervention occurs for an individual with ACEs, the more likely that intervention is to be successful.

(k) ACEs can be prevented where a multigenerational approach is employed to interrupt the cycle of ACEs within a family, including both prevention and treatment throughout an individual's lifespan.

(l) It is the belief of the General Assembly that people who have experienced adverse childhood experiences can be resilient and can succeed in leading happy, healthy lives.

Sec. 21. VERMONT FAMILY BASED APPROACH PILOT

(a) The Agency of Human Services, through the Integrated Family Services initiative, within available Agency resources and in partnership with the Vermont Center for Children, Youth, and Families at the University of Vermont, shall implement the Vermont Family Based Approach in one pilot region. Through the Vermont Family Based Approach, wellness services, prevention, intervention, and, where indicated, treatment services shall be provided to families throughout the pilot region in partnership with other human service and health care programs. The pilot shall be fully implemented by January 1, 2015 to the extent resources are available to support the implementation.

(b)(1) In the pilot region, the Agency of Human Services, community partner organizations, schools, and the Vermont Center for Children, Youth, and Families shall identify individuals interested in being trained as Family Wellness Coaches and Family Focused Coaches.

(2) Each Family Wellness Coach and Family Focused Coach shall:

(A) complete the training program provided by the Vermont Family Based Approach;

(B) conduct outreach activities for the pilot region; and

(C) serve as a resource for family physicians within the pilot region.

Sec. 22. REPORT; BLUEPRINT FOR HEALTH

On or before December 15, 2014, the Director of the Blueprint for Health shall submit a report to the House Committee on Health Care and to the Senate Committee on Health and Welfare containing recommendations as to how screening for adverse childhood experiences and trauma-informed care may be incorporated into Blueprint for Health medical practices and community health teams, including any proposed evaluation measures and approaches; funding constraints; opportunities; availability of appropriate screening tools and

evidence-based interventions for individuals; the additional resources, if any, that would be necessary to ensure adequate access to the interventions identified as needed as a result of the use of the screening tools; and additional security protections that may be necessary for information related to a patient's adverse childhood experiences.

Sec. 23. RECOMMENDATION; UNIVERSITY OF VERMONT'S COLLEGE OF MEDICINE AND SCHOOL OF NURSING CURRICULUM

The General Assembly recommends to the University of Vermont's College of Medicine and School of Nursing that they consider adding or expanding information to their curricula about the Adverse Childhood Experience Study and the impact of adverse childhood experiences on lifelong health.

Sec. 24. TRAUMA-INFORMED EDUCATIONAL MATERIALS

(a) On or before January 1, 2015, the Vermont Board of Medical Practice, in collaboration with the Vermont Medical Society Education and Research Foundation, shall develop educational materials pertaining to the Adverse Childhood Experience Study, including available resources and evidence-based interventions for physicians, physician assistants, and advanced practice registered nurses.

(b) On or before July 1, 2016, the Vermont Board of Medical Practice and the Office of Professional Regulation shall disseminate the materials prepared pursuant to subsection (a) of this section to all physicians licensed pursuant to 26 V.S.A. chapters 23 and 33, naturopathic physicians licensed pursuant to 26 V.S.A. chapter 81, physician assistants licensed pursuant to 26 V.S.A. chapter 31, and advanced practice registered nurses licensed pursuant to 26 V.S.A. chapter 28, subchapter 3.

Sec. 25. REPORT; DEPARTMENT OF HEALTH; GREEN MOUNTAIN CARE BOARD

(a) On or before November 1, 2014, the Department of Health, in consultation with the Department of Mental Health, shall submit a written report to the Green Mountain Care Board containing:

(1) recommendations for incorporating education, treatment, and prevention of adverse childhood experiences into Vermont's medical practices and the Department of Health's programs;

(2) recommendations on the availability of appropriate screening tools and evidence-based interventions for individuals throughout their lives, including expectant parents, and the additional resources, if any, that would be necessary to ensure adequate access to the interventions identified as needed as a result of the use of the screening tools; and

(3) information about the costs and availability of, and recommendations on, additional security protections that may be necessary for information related to a patient's adverse childhood experiences.

(b) The Green Mountain Care Board shall review the report submitted pursuant to subsection (a) of this section and attach comments to the report regarding the report's implications on population health and health care costs. On or before January 1, 2015, the Board shall submit the report with its comments to the Senate Committees on Education and on Health and Welfare and to the House Committees on Education, on Health Care, and on Human Services.

* * * Reports * * *

Sec. 26. GREEN MOUNTAIN CARE FINANCING AND COVERAGE;
REPORT

(a) Notwithstanding the January 15, 2013 date specified in 2011 Acts and Resolves No. 48, Sec. 9, no later than January 15, 2015, the Secretary of Administration shall submit to the House Committees on Health Care, on Appropriations, and on Ways and Means and the Senate Committees on Health and Welfare, on Appropriations, and on Finance a proposal to transition to and fully implement Green Mountain Care. The report shall include the following elements, as well as any other topics the Secretary deems appropriate:

(1) a detailed analysis of the direct and indirect financial impacts of moving from the current health care system to a publicly financed system, including the impact by income class and family size for individuals and by business size, economic sector, and total sales or revenue for businesses, as well as the effect on various wage levels and job growth;

(2) recommendations for the amounts and necessary mechanisms to finance Green Mountain Care, including:

(A) proposing the amounts to be contributed by individuals and businesses;

(B) recommending financing options for wraparound coverage for individuals with other primary coverage, including evaluating the potential for using financing tiers based on the level of benefits provided by Green Mountain Care; and

(C) addressing cross-border financing issues;

(3) wraparound benefits for individuals for whom Green Mountain Care will be the payer of last resort pursuant to 33 V.S.A. § 1827(f), including individuals covered by the Federal Employees Health Benefit Program, TRICARE, Medicare, retiree health benefits, or an employer health plan;

(4) recommendations for addressing cross-border health care delivery issues;

(5) establishing provider reimbursement rates in Green Mountain Care;

(6) developing estimates of administrative savings to health care providers and payers from Green Mountain Care;

(7) information regarding Vermont's efforts to obtain a Waiver for State Innovation pursuant to Section 1332 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, including submission of a conceptual waiver application as required by Sec. 10 of this act; and

(8) proposals for enhancing loan forgiveness programs and other opportunities and incentives for health care workforce development and enhancement.

(b) If the Secretary of Administration does not submit the Green Mountain Care financing and coverage proposal required by this section to the General Assembly by January 15, 2015, no portion of the unencumbered funds remaining as of that date in the fiscal year 2015 appropriation to the Agency of Administration for the planning and the implementation of Green Mountain Care shall be expended until the Secretary submits the required proposal.

Sec. 26a. 18 V.S.A. § 9491 is amended to read:

§ 9491. HEALTH CARE WORKFORCE; STRATEGIC PLAN

* * *

(b) The director or designee shall collaborate with the area health education centers, the ~~workforce development council~~ Workforce Development Council established in 10 V.S.A. § 541, the ~~prekindergarten-16 council~~ Prekindergarten-16 Council established in 16 V.S.A. § 2905, the ~~department of labor, the department of health, the department of Vermont health access~~ Department of Labor, the Department of Health, the Department of Vermont Health Access, and other interested parties, to develop and maintain the plan. The ~~director of health care reform~~ Director of Health Care Reform shall ensure that the strategic plan includes recommendations on how to develop Vermont's health care workforce, including:

* * *

(3) how ~~state~~ State government, universities and colleges, the ~~state's~~ State's educational system, entities providing education and training programs related to the health care workforce, and others may develop the resources in the health care workforce and delivery system to educate, recruit, and retain health care professionals to achieve Vermont's health care reform principles

and purposes, including proposals for enhancing loan forgiveness programs and other opportunities and incentives for health care workforce development and enhancement.

* * *

Sec. 27. CHRONIC CARE MANAGEMENT; BLUEPRINT; REPORT

On or before October 1, 2014, the Secretary of Administration or designee shall provide to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance a proposal for modifications of the payment structure to health care providers and community health teams for their participation in the Blueprint for Health; a recommendation on whether to expand the Blueprint to include additional services or chronic conditions such as obesity, mental conditions, and oral health; and recommendations on ways to strengthen and sustain advanced practice primary care.

Sec. 28. HEALTH INSURER SURPLUS; LEGAL CONSIDERATIONS; REPORT

The Department of Financial Regulation, in consultation with the Office of the Attorney General, shall identify the legal and financial considerations involved in the event that a private health insurer offering major medical insurance plans, whether for-profit or nonprofit, ceases doing business in this State, including appropriate disposition of the insurer's surplus funds. On or before July 15, 2014, the Department shall report its findings to the House Committees on Health Care, on Commerce, and on Ways and Means and the Senate Committees on Health and Welfare and on Finance.

Sec. 29. TRANSITION PLAN FOR UNION EMPLOYEES

The Commissioners of Labor and of Human Resources; one representative each from the Vermont League of Cities and Towns, the Vermont School Boards Association, and the Vermont School Board Insurance Trust; and five representatives from a coalition of labor organizations active in Vermont, in consultation with other interested stakeholders, shall develop a plan for transitioning employees with collectively bargained health benefits from their existing health insurance plans to Green Mountain Care, with the goal that union employees shall be enrolled in Green Mountain Care upon implementation, which is currently targeted for 2017. The transition plan shall be consistent with State and federal labor relations laws and public and private sector collective bargaining agreements and shall ensure that total employee compensation does not decrease significantly, nor financial costs to employers increase significantly, as a result of the transition of employees to Green Mountain Care.

Sec. 30. FINANCIAL IMPACT OF HEALTH CARE REFORM INITIATIVES

The Joint Fiscal Committee shall:

(1) determine the distribution of current health care spending by individuals, businesses, and municipalities, including the direct and indirect costs by income class, family size, and other demographic factors for individuals and by business size, economic sector, and total sales or revenue for businesses;

(2) for each proposal for health care system reform, evaluate the direct and indirect impacts on individuals, businesses, and municipalities, including the direct and indirect costs by income class, family size, and other demographic factors for individuals and by business size, economic sector, and total sales or revenue for businesses;

(3) estimate the costs of and savings from current health care reform initiatives; and

(4) update the cost estimates for Green Mountain Care, the universal and unified health care system established in 33 V.S.A. chapter 18, subchapter 2.

Sec. 31. [Deleted.]

Sec. 32. INCREASING MEDICAID RATES; REPORT

On or before January 15, 2015, the Secretary of Administration or designee, in consultation with the Green Mountain Care Board, shall report to the House Committees on Health Care, on Appropriations, and on Ways and Means and the Senate Committees on Health and Welfare, on Appropriations, and on Finance regarding the impact of increasing Medicaid reimbursement rates to providers to match Medicare rates. The issues to be addressed in the report shall include:

(1) the amount of State funds needed to effect the increase;

(2) the level of a payroll tax that would be necessary to generate the revenue needed for the increase;

(3) the projected impact of the increase on health insurance premiums; and

(4) to the extent that premium reductions would likely result in a decrease in the aggregate amount of federal premium tax credits for which Vermont residents would be eligible, whether there are specific timing considerations for the increase as it relates to Vermont's application for a Waiver for State Innovation pursuant to Section 1332 of the Patient Protection and Affordable Care Act.

Sec. 33. HEALTH CARE EXPENSES IN OTHER FORMS OF INSURANCE

The Secretary of Administration or designee, in consultation with the Departments of Labor and of Financial Regulation, shall collect the most recent available data regarding health care expenses paid for by workers' compensation, automobile, property and casualty, and other forms of non-medical insurance, including the amount of money spent on health care-related goods and services and the percentage of the premium for each type of policy that is attributable to health care expenses. The Secretary of Administration or designee shall consolidate the data and provide it to the General Assembly on or before December 1, 2014.

* * * Health Care Workforce Symposium * * *

Sec. 34. HEALTH CARE WORKFORCE SYMPOSIUM

On or before January 15, 2015, the Secretary of Administration or designee, in collaboration with the Vermont Medical Society, the Vermont Association of Hospitals and Health Systems, and the Vermont Assembly of Home Health and Hospice Agencies, shall organize and conduct a symposium to address the impacts of moving toward universal health care coverage on Vermont's health care workforce and on its projected workforce needs.

* * * Repeal * * *

Sec. 35. REPEAL

3 V.S.A. § 635a (legislators and session-only legislative employees eligible to purchase State Employees Health Benefit Plan at full cost) is repealed.

* * * Effective Dates * * *

Sec. 36. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Sec. 11, 21 V.S.A. § 2003(b), shall take effect on passage and shall apply beginning with the calculation of the Health Care Fund contributions payable in the first quarter of fiscal year 2015, which shall be based on the number of an employer's uncovered employees in the fourth quarter of fiscal year 2014.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 35 (repeal of legislator eligibility to purchase State Employees Health Benefit Plan) shall take effect on passage and shall apply retroactively to January 1, 2014, except that members and session-only employees of the General Assembly who were enrolled in the State Employees Health Benefit Plan on January 1, 2014 may continue to receive coverage under the plan through the remainder of the 2014 plan year; and

(3) Sec. 18 (18 V.S.A. § 9473; pharmacy benefit managers) shall take effect on July 1, 2014 and shall apply to contracts entered into or renewed on or after that date.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Ashe, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Committee of Conference Appointed

S. 252.

An act relating to financing for Green Mountain Care.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Ashe
Senator Ayer
Senator Kitchel

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

S. 287.

An act relating to involuntary treatment and medication.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator White
Senator Ayer
Senator Sears

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

S. 299.

An act relating to sampler flights.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Mullin
Senator Bray
Senator Collins

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

S. 314.

An act relating to miscellaneous amendments to laws related to motor vehicles.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Mazza
Senator Flory
Senator Sears

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bills Messaged

On motion of Senator Campbell, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 239, S. 252, S. 287, S. 299, S. 314, H. 483.

Adjournment

On motion of Senator Campbell, the Senate adjourned until ten o'clock in the morning.

TUESDAY, MAY 6, 2014

In the absence of the President (who was Acting Governor in the absence of the Governor) the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 68

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill of the following title:

H. 88. An act relating to parental rights and responsibilities involving a child conceived as a result of a sexual assault.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered bills originating in the Senate of the following titles:

S. 28. An act relating to gender-neutral nomenclature for the identification of parents on birth certificates.

S. 168. An act relating to making miscellaneous amendments to laws governing municipalities.

S. 184. An act relating to eyewitness identification policy.

S. 218. An act relating to temporary employees.

S. 221. An act relating to providing statutory purposes for tax expenditures.

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the Senate is requested.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 234. An act relating to Medicaid coverage for home telemonitoring services.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Pearson of Burlington
Rep. Gage of Rutland City
Rep. O'Brien of Richmond.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 241. An act relating to binding arbitration for State employees.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Moran of Wardsboro
Rep. Weed of Enosburgh
Rep. O'Sullivan of Burlington.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 252. An act relating to financing for Green Mountain Care.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Fisher of Lincoln
Rep. Ancel of Calais
Rep. Copeland-Hanzas of Bradford.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 287. An act relating to involuntary treatment and medication.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Koch of Barre Town
Rep. Donahue of Northfield
Rep. Lippert of Hinesburg.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Potter of Clarendon
Rep. Brennan of Colchester
Rep. Grad of Moretown.

Message from the House No. 69

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that the Speaker of the House announced a change in the members on the part of the House of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 735. An act relating to Executive Branch and Judiciary fees.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Masland of Thetford
Rep. Clarkson of Woodstock
Rep. Ram of Burlington.

I am directed to inform the Senate that the Speaker of the House announced a change in the members on the part of the House of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 884. An act relating to miscellaneous tax changes.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Ancel of Calais
Rep. Sharpe of Bristol
Rep. Johnson of Canaan.

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 413. An act relating to the Uniform Collateral Consequences of Conviction Act.

H. 555. An act relating to the commitment of a criminal defendant who is incompetent to stand trial because of a traumatic brain injury.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 501.

House bill entitled:

An act relating to operating a motor vehicle under the influence of alcohol or drugs.

Was taken up.

Thereupon, pending third reading of the bill, Senator Rodgers moved to amend the Senate proposal of amendment in Sec. 1, 23 V.S.A. § 1201, by striking out subsection (h) in its entirety and inserting in lieu thereof a new subsection (h) to read as follows:

(h) As used in subdivision (a)(3) of this section, “under the influence of a drug” means that a drug interferes with a person’s safe operation of a vehicle.

This subsection shall not be construed to affect the meaning of the terms “under the influence of intoxicating liquor” or “under the combined influence of alcohol and any other drug.”

Which was agreed to.

Senator Mazza Assumes the Chair

Senator Campbell Assumes the Chair

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 24, Nays 0.

Senator Sears having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Baruth, Benning, Bray, Collins, Doyle, Flory, French, Galbraith, Hartwell, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe, Ayer, Campbell (presiding), Cummings, Kitchel, Zuckerman.

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 578. An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

H. 646. An act relating to unemployment insurance.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 656.

House bill entitled:

An act relating to professions and occupations regulated by the Office of Professional Regulation.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sirotkin moved to amend the Senate proposal of amendment by in Sec. 9, 18 V.S.A. § 4201 (definitions), in subdivision (26) (definition of “prescription”), at the end of the

subdivision following: “If a prescription is communicated orally, it shall be reduced promptly to writing by the pharmacist.” by inserting the following: Nothing in this subdivision is meant to authorize the oral communication of a prescription when a written prescription is otherwise required.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Bill Passed in Concurrence with Proposal of Amendment

H. 728.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to developmental services’ system of care.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 645.

House bill entitled:

An act relating to workers’ compensation.

Was taken up.

Thereupon, pending third reading of the bill, Senator Mullin moved to amend the Senate proposal of amendment by striking out Sec. 12 in its entirety and inserting two new sections to be numbered Secs. 12 and 13 to read as follows:

Sec. 12. 21 V.S.A. § 663b is added to read:

§ 663b. FRAUD

(a) Claims of fraud submitted by an employer or insurance carrier shall be investigated by the Commissioner, and the Commissioner shall make a decision on the claim within 30 days of receipt of the claim. A party may appeal the decision of the Commissioner.

(b) An employee found to have committed fraud in order to receive compensation under this chapter shall be ordered to repay all compensation received. The employer shall not be charged for these payments when the employer’s experience rating is determined.

Sec. 13. EFFECTIVE DATES

(a) This section and Secs. 3, 4, and 9–12 shall take effect on passage.

(b) Secs. 1, 2, and 5–8 shall take effect on July 1, 2014.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 26, Nays 0.

Senator Bray having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Bray, Collins, Doyle, Flory, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, White.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Campbell (presiding), Cummings, Westman, Zuckerman.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate**S. 86.**

Senator White, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

An act relating to miscellaneous changes to election laws.

Respectfully reports that it has met and considered the same and that the Senate accede to the House's proposal of amendment with the following amendments thereto:

First: In Sec. 3, by striking out in its entirety 17 V.S.A. § 2154 (statewide voter checklist)

Second: By striking out in its entirety Sec. 4, 1 V.S.A. § 317(c)(31), and inserting in lieu thereof a new Sec. 4 to read:

Sec. 4. [Deleted.]

Third: In Sec. 15, 17 V.S.A. § 2351 (primary election), following “A primary election shall be held on the ~~fourth~~” by striking out “first” and inserting in lieu thereof second

Fourth: In Sec. 16, 17 V.S.A. § 2356 (time for filing petitions and statements of nomination), by striking out in its entirety subsection (a) and inserting in lieu thereof a new subsection (a) to read:

(a) Primary petitions for major party candidates and statements of nomination ~~from~~ for minor party candidates ~~and independent candidates~~ shall be filed no sooner than the ~~second~~ fourth Monday in ~~May~~ April and not later than 5:00 p.m. on the ~~second~~ fourth Thursday after the first Monday in ~~June~~ May preceding the primary election prescribed by section 2351 of this ~~title~~ chapter, and not later than 5:00 p.m. of the 62nd day prior to the day of a special primary election.

Fifth: By adding a new section to be Sec. 17a to read:

Sec. 17a. 17 V.S.A. § 2402 is amended to read:

§ 2402. REQUISITES OF STATEMENT

* * *

(d)(1) A statement of nomination and a completed and signed consent form shall be filed ~~as set forth in section 2356 of this title;~~

(A) in the case of nomination for President or Vice President of the United States, no sooner than the fourth Monday in April and not later than 5:00 p.m. on August 1 in the year preceding the presidential general election; or

(B) in the case of any other independent candidate, no sooner than the fourth Monday in April and not later than 5:00 p.m. on the Thursday preceding the primary election prescribed by section 2351 of this chapter, and not later than 5:00 p.m. of the third day prior to the day of a special primary election.

(2) No public official receiving nominations shall accept a petition unless a completed and signed consent form is filed at the same time.

(3) A statement of nomination shall apply only to the election cycle in which the statement of nomination is filed.

* * *

Sixth: In Sec. 42, in 17 V.S.A. § 2602 (petitions for recounts), in subsection (b), in the second sentence, following “filed within ~~10~~ seven”, by inserting calendar

Seventh: In Sec. 74 (effective dates), by striking out in its entirety subdivision (3) and inserting in lieu thereof a new subdivision (3) to read:

(3) Secs. 15, 17 V.S.A. § 2351 (primary election); 16, 17 V.S.A. § 2356 (time for filing petitions and statements of nomination); and 17a, 17 V.S.A. § 2402 (requisites of statement), shall take effect on January 1, 2016; and

*JEANETTE K. WHITE
NORMAN H. MCALLISTER
ELDRED FRENCH*

Committee on the part of the Senate

*LINDA J. MARTIN
RONALD E. HUBERT
MICHEL A. CONSEJO*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 88.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to parental rights and responsibilities involving a child conceived as a result of a sexual assault.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with the following amendment thereto:

In Sec. 1, 15 V.S.A. § 665, in subdivision (f)(2), in the first sentence, by striking out "finds that such an order is in the best interest of the child and" and in the first sentence, before the period, by inserting and the Court finds by a preponderance of the evidence that such an order is in the best interest of the child

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred In**S. 168.**

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to bill entitled:

An act relating to making miscellaneous amendments to laws governing municipalities.

Was taken up for immediate consideration.

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

First: By striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3. to read Sec. 3. [Deleted.]

Second: In Sec. 4, 20 V.S.A. § 3621, by striking out subdivision (a)(1) in its entirety and inserting in lieu thereof the following:

(a)(1) The legislative body of a municipality may at any time issue a warrant to one or more police officers ~~or~~, constables, pound keepers, ~~or elected~~ or appointed animal control officers, directing them to proceed forthwith to impound all dogs or wolf-hybrids within the town or city not licensed according to the provisions of this subchapter, except as exempted by section 3587 of this title, and to enter a complaint against the owners or keepers thereof.

Third: In Sec. 6, 17 V.S.A. § 2651d, in subsection (a), in the first sentence, by striking out the words “by Australian ballot”

Fourth: By striking out Sec. 10 in its entirety and inserting in lieu thereof a new Sec. 10 to read Sec. 10. [Deleted.]

Fifth: In Sec. 11, 24 V.S.A. § 2291, by striking out subdivision (26) in its entirety and inserting in lieu thereof a new subdivision (26) to read:

(26) When a disaster or emergency has been declared by the Governor, a municipal building inspector, health officer, fire marshal, or zoning administrator may declare condemned to be destroyed a property that has been damaged in the disaster or emergency and is dangerous to life, health, or safety due to the disaster-related damage. The local legislative body may require that an official receive training on disaster-related condemnation before he or she may condemn property under this subdivision. The owner of property condemned under this subdivision may appeal the condemnation according to the condemnation appeals procedure of chapter 83 of this title, provided that any appeal to the Superior Court shall be to the Civil Division.

Sixth: By adding a Sec. 11a to read:

Sec. 11a. DISASTER CONDEMNATION TRAINING

On or before July 1, 2015, the Department of Health, in consultation with the Department of Housing and Community Development and the Department of Public Safety, shall develop condemnation guidance for inclusion in disaster training and education for local officials. The guidance shall include:

(1) methods of inspection of buildings and structures damaged by natural disaster; and

(2) standards for condemnation of buildings and structures damaged by natural disaster.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

**Rules Suspended; House Proposal of Amendment Not Concurred In;
Committee of Conference Requested**

S. 295.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to pretrial services, risk assessments, and criminal justice programs.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE FINDINGS

(a) It is the intent of the General Assembly that law enforcement officials and criminal justice professionals develop and maintain programs at every stage of the criminal justice system to provide alternatives to a traditional punitive criminal justice response for people who, consistent with public safety, can effectively and justly benefit from those alternative responses. These programs shall be reflective of the goals and principles of restorative justice pursuant to 28 V.S.A. § 2a. Commonly referred to as the sequential intercept model, this approach was designed to identify five points within the criminal justice system where innovative approaches to offenders and offending behavior could be taken to divert individuals away from a traditional criminal justice response to crime. These intercept points begin in the community with law enforcement interaction with citizens, proceed through arrest, the judicial process, and sentencing, and conclude with release back into communities. Alternative justice programs may include the employment of

police-social workers, community-based restorative justice programs, community-based dispute resolution, precharge programs, pretrial services and case management, recovery support, DUI and other drug treatment courts, suspended fine programs, and offender reentry programs.

(b) Research shows the risk-need-responsivity model approach to addressing criminal conduct is successful at reducing recidivism. The model's premise is that the risk and needs of a person charged with or convicted of a criminal offense should determine the strategies appropriate for addressing the person's criminogenic factors.

(c) Some studies show that incarceration of low-risk offenders or placement of those offenders in programs or supervision designed for high-risk offenders may increase the likelihood of recidivism.

(d) The General Assembly recommends use of evidence-based risk assessments and needs screening tools for eligible offenses to provide information to the Court for the purpose of determining bail and appropriate conditions of release and informing decisions by the State's Attorney and the Court related to a person's participation and level of supervision in an alternative justice program.

(e) As used in this act:

(1) "Clinical assessment" means the procedures, to be conducted after a client has been screened, by which a licensed or otherwise approved counselor identifies and evaluates an individual's strengths, weaknesses, problems, and needs for the development of a treatment plan.

(2) "Needs screening" means a preliminary systematic procedure to evaluate the likelihood that an individual has a substance abuse or a mental health condition.

(3) "Risk assessment" means a pretrial assessment that is designed to be predictive of a person's failure to appear in court and risk of violating pretrial conditions of release with a new alleged offense.

(f) The General Assembly intends this act to be a continuation of justice reinvestment efforts initiated in 2007 by the Legislative, Judicial, and Executive Branches. Justice reinvestment is a data-driven approach to improve public safety, reduce corrections and related criminal justice spending, and reinvest savings in strategies that can decrease crime and strengthen communities.

(g) Buprenorphine/Naloxone (Suboxone or Subutex) is a well-known medication used in the treatment of opioid addiction. Vermont spends \$8.3 million in Medicaid funds annually on these drugs. As medicated-assisted

treatment for opiate addiction has increased substantially in the last several years, so has illegal diversion of these drugs and their misuse. Suboxone is currently the number one drug smuggled into Vermont correctional facilities and evidence suggests that the nonmedical use of such drugs is gaining in popularity. The General Assembly urges the administration to prioritize efforts to ensure that people with opiate addictions are provided access to necessary medication, while taking all possible measures to prevent the diversion and misuse of these drugs, including working with drug manufacturers.

(h) Approximately 54,000 Vermonters have abused or been dependent on alcohol or illicit drugs in the past year, according to the current National Survey on Drug Use and Health. More people abuse or are dependent on alcohol (approximately 39,000) than all illicit drugs combined (18,000). Many Vermonters struggle with both alcohol and illicit drugs. Substance abuse is expensive, and not solely due to the cost of providing treatment. Research indicates that \$1.00 invested in addiction treatment saves between \$4.00 and \$7.00 in reduced drug-related crime, criminal justice costs, and theft. Earlier intervention to provide services before major problems develop can save even more.

Sec. 2. 13 V.S.A. § 7554c is added to read:

§ 7554c. PRETRIAL RISK ASSESSMENTS; NEEDS SCREENINGS

(a)(1) The objective of a pretrial risk assessment is to provide information to the Court for the purpose of determining whether a person presents a risk of nonappearance or a threat to public safety, so the Court can make an appropriate order concerning bail and conditions of pretrial release.

(2) The objective of a pretrial needs screening is to obtain a preliminary indication of whether a person has a substantial substance abuse or mental health issue that would warrant a subsequent court order for a more detailed clinical assessment.

(3) Participation in a risk assessment or needs screening pursuant to this section does not create any entitlement for the assessed or screened person.

(b)(1) A person whose offense or status falls into any of the following categories shall be offered a risk assessment and, if deemed appropriate by the pretrial monitor, a needs screening prior to arraignment:

(A) misdemeanor drug offenses cited into court;

(B) felony drug offenses cited into court;

(C) felonies that are not listed crimes cited into court;

(D) persons who are arrested and lodged and unable to post bail within 24 hours of lodging, excluding persons who are charged with an offense

for which registration as a sex offender is required upon conviction pursuant to subchapter 3 of chapter 167 of this title or an offense punishable by up to life imprisonment; and

(E) persons not charged with a listed crime who are identified by law enforcement, the prosecution, the defense, probation and parole personnel, the Court, a treatment provider, or a family member or friend as having a substantial substance abuse or mental health issue.

(2) Participation in an assessment or screening shall be voluntary.

(3) In the event an assessment or screening cannot be obtained prior to arraignment, the Court shall direct the assessment and screening to be conducted as soon as practicable.

(4) A person who qualifies pursuant to subdivision (1)(A)–(E) of this subsection and who has an additional pending charge or a violation of probation shall not be excluded from being offered a risk assessment or needs screening unless the other charge is a listed crime as defined in section 5301 of this title.

(5) Nothing in this section shall be construed to limit the Court's authority to order an assessment or screening as a condition of release under section 7554 of this title.

(6) The Administrative Judge and Court Administrator, in consultation with the Secretary of Human Services and the Commissioner of Corrections, shall develop a statewide plan for the phased, consistent rollout of the categories identified in subdivisions (1)(A) through (E) of this subsection. All persons whose offense or status falls into one of the categories shall be eligible for a risk assessment or needs screening on or before January 1, 2016. Prior to that date, a person shall not be guaranteed the offer of a risk assessment or needs screening solely because the person's offense or status falls into one of the categories. Criminal justice professionals charged with implementation shall adhere to the plan.

(c) The results of the assessment and screening shall be provided to the prosecutor who, upon filing a criminal charge against the person, shall provide the results to the person and his or her attorney and the Court.

(d)(1) In consideration of the assessment and screening, the Court may order the person to comply with any of the following conditions:

(A) meet with a pretrial monitor on a schedule set by the Court;

(B) participate in a clinical assessment by a substance abuse treatment provider;

(C) comply with any level of treatment or recovery support recommended by the provider;

(D) provide confirmation to the pretrial monitor of the person's attendance and participation in the clinical assessment and any recommended treatment; and

(E) provide confirmation to the pretrial monitor of the person's compliance with any other condition of release.

(2) If possible, the Court shall set the date and time for the assessment at arraignment. In the alternative, the pretrial monitor shall coordinate the date, time, and location of the clinical assessment and advise the Court, the person and his or her attorney, and the prosecutor.

(3) The conditions authorized in subdivision (1) of this subsection shall be in addition to any other conditions of release permitted by law and shall not limit the Court in any way.

(e)(1) Information obtained from the person during the risk assessment or needs screening shall be exempt from public inspection and copying under the Public Records Act and, except as provided in subdivision (2) of this subsection, only may be used for determining bail, conditions of release, and appropriate programming for the person in the pending case. The immunity provisions of this subsection apply only to the use and derivative use of information gained as a proximate result of the risk assessment or needs screening.

(2) The person shall retain all of his or her due process rights throughout the assessment and screening process and may release his or her records at his or her discretion.

(3) The Vermont Supreme Court in accordance with judicial rulemaking as provided in 12 V.S.A. § 1 shall promulgate and the Department of Corrections in accordance with the Vermont Administrative Procedure Act pursuant to 3 V.S.A. chapter 25 shall adopt rules related to the custody, control, and preservation of information consistent with the confidentiality requirements of this section. Emergency rules adopted prior to January 1, 2015 pursuant to this section shall be considered to meet the "imminent peril" standard under 3 V.S.A. § 844(a).

(f) The Administrative Judge shall develop guidelines for the appropriate use of court-ordered pretrial monitoring services based upon the risk and needs of the defendant.

Sec. 3. RISK ASSESSMENT AND NEEDS SCREENING TOOLS AND SERVICES

(a) The Department of Corrections shall select risk and needs assessment and screening tools for use in the various decision points in the criminal justice system, including pretrial, community supervision screening, community supervision, prison screening, prison intake, and reentry.

(b) In selection and implementation of the tools, the Department shall consider tools being used in other states and shall consult with and have the cooperation of all criminal justice agencies.

(c) The Department shall have the tools available for use on or before September 1, 2014. The Department, the Judiciary, the Defender General, and the Executive Director and the Department of State's Attorneys and Sheriffs shall conduct training on the risk assessment tools on or before December 15, 2014.

(d) The Department, in consultation with law enforcement agencies and the courts, shall contract for or otherwise provide pretrial services described in this section, including performance of risk assessments, needs screenings, and pretrial monitoring. The contract shall include requirements to comply with data collection and evaluation procedures.

(e) Pretrial monitoring may include:

(1) reporting to the Court concerning the person's compliance with conditions of release;

(2) supporting the person in meeting the conditions imposed by the Court, including the condition to appear in Court as directed;

(3) identifying community-based treatment, rehabilitative services, recovery supports, and restorative justice programs; and

(4) supporting a prosecutor's precharge program.

(f)(1) The Department, in consultation with the Judiciary and the Crime Research Group, shall develop and implement a system to evaluate goals and performance of the pretrial services described in this section and report to the General Assembly annually on or before December 15.

(2) The Agency of Human Services, in consultation with the Judiciary, shall ensure that a study is conducted to include an outcome study, process evaluation and cost benefit analysis.

(g) The Secretary of Human Services, with staff and administrative support from the Criminal Justice Capable Core Team, shall map services and assess the impact of court referrals and the capacity of the current service provision

system in each region. The Secretary, in collaboration with service providers and other stakeholders, shall consider regional resources, including services for assessment, early intervention, treatment, and recovery support. Building on existing models and data, the Secretary and the Criminal Justice Capable Core Team shall develop recommendations for a system for referral based on the appropriate level of need, identifying existing gaps to optimize successful outcomes. Funding models for those services shall be examined by the appropriate State departments. The recommendation for the system for referral shall be inclusive of all initiatives within the Agency of Human Services, including those within the Blueprint for Health and Screening, Brief Intervention, and Referral for Treatment (SBIRT), as well as initiatives within the Green Mountain Care Board and the State Innovation Model (SIM) grant.

* * * Alternative Justice Programs * * *

Sec. 4. PROSECUTOR PRECHARGE PROGRAM GUIDELINES AND REPORTING

(a) The Department of State's Attorneys and Sheriffs, in consultation with the Judiciary and the Attorney General, shall develop broad guidelines for precharge programs to ensure there is probable cause and that there are appropriate opportunities for victim input and restitution.

(b) On or before October 1, 2014, and annually thereafter, the Executive Director of the Department of State's Attorneys and Sheriffs shall report to the General Assembly detailing the alternative justice programs that exist in each county together with the protocols for each program, the annual number of persons served by the program, and a plan for how a sequential intercept model can be employed in the county. The report shall be prepared in cooperation with the Director of Court Diversion, a co-chair of the Community Justice Network of Vermont, and State, municipal, and county law enforcement officials.

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

* * * Criminal Provisions * * *

Sec. 8. 18 V.S.A. § 4235b is added to read:

§ 4235b. TRANSPORTATION OF DRUGS INTO THE STATE;
AGGRAVATING FACTOR

When imposing a sentence for a felony violation of dispensing or selling a regulated drug in violation of this chapter, the Court shall consider as an

aggravating factor whether the person knowingly and unlawfully transported the regulated drug into Vermont.

Sec. 9. 13 V.S.A. § 1201 is amended to read:

§ 1201. BURGLARY

(a) A person is guilty of burglary if he or she enters any building or structure knowing that he or she is not licensed or privileged to do so, with the intent to commit a felony, petit larceny, simple assault, or unlawful mischief. This provision shall not apply to a licensed or privileged entry, or to an entry that takes place while the premises are open to the public, unless the person, with the intent to commit a crime specified in this subsection, surreptitiously remains in the building or structure after the license or privilege expires or after the premises no longer are open to the public.

(b) As used in this section, ~~the words “building,” “structure,” and “premises”:~~

(1) “Building,” “premises,” and “structure” shall, in addition to their common meanings, include and mean any portion of a building, structure, or premises which differs from one or more other portions of such building, structure, or premises with respect to license or privilege to enter, or to being open to the public.

(2) “Occupied dwelling” means a building used as a residence, either full-time or part-time, regardless of whether someone is actually present in the building at the time of entry.

(c)(1) A person convicted of burglary into an occupied dwelling shall be imprisoned not more than 25 years or fined not more than \$1,000.00, or both. Otherwise, a person convicted of burglary shall be imprisoned not more than 15 years or fined not more than \$1,000.00, or both.

(2) When imposing a sentence under this section, the Court shall consider as an aggravating factor whether, during commission of the offense, the person:

(A) entered the building when someone was actually present;

(B) used or threatened to use force against the occupant; or

(C) carried a dangerous or deadly weapon, openly or concealed, during the commission of the offense, and the person has not been convicted of a violation of section 4005 of this title in connection with the offense.

Sec. 10. DEPARTMENT OF PUBLIC SAFETY REPORT

The Department of Public Safety, in consultation with the Department of Health, shall examine 18 V.S.A. § 4234 (depressant, stimulant, narcotic drug)

for the purpose of establishing clear dosage amounts for narcotics as they relate to unlawful possession, dispensing, and sale. The Department shall consider section 4234 in relation to 18 V.S.A. § 4233 (heroin). The Department shall report its recommendations to the Senate and House Committees on Judiciary on or before December 15, 2014.

* * * Regulation of Opiates * * *

Sec. 11. DVHA AUTHORITY; USE OF AVAILABLE SANCTIONS

The Department of Vermont Health Access shall use its authority to sanction Medicaid-participating prescribers, whether practicing in or outside the State of Vermont, operating in bad faith or not in compliance with State or federal requirements.

Sec. 12. CONTINUED MEDICATION-ASSISTED TREATMENT FOR INCARCERATED PERSONS

(a) The Department of Corrections, in consultation with the Medication-Assisted Treatment for Inmates Work Group created by 2013 Acts and Resolves No. 67, Sec. 11, shall develop and implement a one-year demonstration project to pilot the continued use of medication-assisted treatment within Department facilities for detainees and sentenced inmates.

(b) The pilot project shall offer continued medication-assisted treatment for opioid dependence with methadone or buprenorphine and a prescribed taper as appropriate to incarcerated persons who were participating in medication-assisted treatment in the community immediately prior to incarceration.

(c) As used in this section, “prescribed taper” means a clinically appropriate medication taper that is designed to minimize withdrawal symptoms and limit avoidable suffering.

(d) The Commissioner of Corrections shall publish an interim revision memorandum to replace Directive 363.01 as recommended by the Medication-Assisted Treatment for Inmates Work Group.

(e) On or before July 30, 2014, the Department shall enter into memoranda of understanding with the Department of Health and with hub treatment providers regarding ongoing medication-assisted treatment for persons in the custody of the Department.

(f) The Department shall collaborate with the Department of Health to facilitate the provision of opioid overdose prevention training for pilot project participants who are incarcerated and the distribution of overdose rescue kits with naloxone at correctional facilities to persons who are transitioning from incarceration back into the community.

(g) The Departments of Corrections and of Health shall continue the Medication-Assisted Treatment for Inmates Work Group created by 2013 Acts and Resolves No. 67, Sec. 11 to inform and monitor implementation of the demonstration project. The Departments shall evaluate the demonstration project and provision of medication-assisted treatment to persons who are incarcerated in Vermont and report their findings, including a proposed schedule of expansion, to the House Committees on Corrections and Institutions, on Human Services, and on Judiciary, the Senate Committees on Health and Welfare and on Judiciary, and the Joint Committee on Corrections Oversight on or before January 1, 2015.

Sec. 13. VPMS QUERY; RULEMAKING

The Secretary of Human Services shall adopt rules requiring:

(1) All Medicaid participating providers, whether licensed in or outside Vermont, who prescribe buprenorphine or a drug containing buprenorphine to a Vermont Medicaid beneficiary to query the Vermont Prescription Monitoring System the first time they prescribe buprenorphine or a drug containing buprenorphine for the patient and at regular intervals thereafter. Regular intervals shall exceed the requirements for other Schedule III pharmaceuticals, and queries shall be done prior to prescribing a replacement prescription. The rules shall also include dosage thresholds, which may be exceeded only with prior approval from the Chief Medical Officer of the Department of Vermont Health Access or designee.

(2) All providers licensed in Vermont who prescribe buprenorphine or a drug containing buprenorphine to a Vermont patient who is not a Medicaid beneficiary to query the Vermont Prescription Monitoring System the first time they prescribe buprenorphine or a drug containing buprenorphine for the patient and at regular intervals thereafter. Regular intervals shall exceed the requirements for other Schedule III pharmaceuticals, and queries shall be done prior to prescribing a replacement prescription. The rules shall also include dosage thresholds.

Sec. 14. MEDICATION-ASSISTED THERAPY; RULEMAKING

The Commissioner of Health shall adopt rules relating to medication-assisted therapy for opioid dependence for physicians treating fewer than 30 patients, which shall include a requirement that such physicians ensure that their patients are screened or assessed to determine their need for counseling and that patients who are determined to need counseling or other support services are referred for appropriate counseling from a licensed clinical professional or for other services as needed.

Sec. 15. 26 V.S.A. chapter 36, subchapter 8 is added to read:

Subchapter 8. Naloxone Hydrochloride

§ 2080. NALOXONE HYDROCHLORIDE; DISPENSING OR FURNISHING

(a) The Board of Pharmacy shall adopt protocols for licensed pharmacists to dispense or otherwise furnish naloxone hydrochloride to patients who do not hold an individual prescription for naloxone hydrochloride. Such protocols shall be consistent with rules adopted by the Commissioner of Health.

(b) Notwithstanding any provision of law to the contrary, a licensed pharmacist may dispense naloxone hydrochloride to any person as long as the pharmacist complies with the protocols adopted pursuant to subsection (a) of this section.

Sec. 16. [Deleted.]

Sec. 16a. DEPARTMENT OF CORRECTIONS AND HEALTH CARE REFORM

(a) The Agency of Human Services and its departments shall assist the Department of Corrections in fully enacting the provisions of the Affordable Care Act and Vermont's health care reform initiatives as they pertain to persons in the criminal justice population, including access to health information technology, the Blueprint for Health, Medicaid enrollment, the health benefit exchange, health plans, and other components under the Department of Vermont Health Access that support and ensure a seamless process for reentry to the community or readmission to a correctional facility.

(b) The Department of Corrections shall include substance abuse and mental health services in its request for proposal (RFP) process for inmate health services. Through the RFP, the Department shall require that substance abuse and mental health services be provided to persons while incarcerated.

Sec. 17. 18 V.S.A. § 4254 is amended to read:

§ 4254. IMMUNITY FROM LIABILITY

* * *

(d) A person who seeks medical assistance for a drug overdose or is the subject of a good faith request for medical assistance pursuant to subsection (b) or (c) of this section shall not be subject to any of the penalties for violation of 13 V.S.A. § 1030 (violation of a protection order), for a violation of this chapter or 7 V.S.A §§ 656 and 657, for being at the scene of the drug overdose, or for being within close proximity to any person at the scene of the drug overdose.

(e) A person who seeks medical assistance for a drug overdose or is the subject of a good faith request for medical assistance pursuant to subsection (b) or (c) of this section shall not be subject to any sanction for a violation of a condition of pretrial release, probation, furlough, or parole for a violation of this chapter or 7 V.S.A §§ 656 and 657; for being at the scene of the drug overdose; or for being within close proximity to any person at the scene of the drug overdose.

* * *

(g) The immunity provisions of this section apply only to the use and derivative use of evidence gained as a proximate result of the person's seeking medical assistance for a drug overdose, being the subject of a good faith request for medical assistance, being at the scene, or being within close proximity to any person at the scene of the drug overdose for which medical assistance was sought and do not preclude prosecution of the person on the basis of evidence obtained from an independent source.

Sec. 18. EFFECTIVE DATES

(a) Sec. 2 shall take effect on January 1, 2015.

(b) This section and Secs. 1 (legislative intent), 3 (risk assessment and needs screening tools), 4 (prosecutor precharge programs and reporting), 10 (Department of Public Safety report), 13 (VPMS query; rulemaking), 14 (medication assisted therapy, rulemaking), and 17 (immunity from liability) shall take effect on passage.

(c) The remaining sections shall take effect on July 1, 2014.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Sears, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

Ryan, Linda of St. Albans - Member, Vermont State Housing Authority – April 8, 2014, to February 28, 2019.

Marvin, Emma of Hyde Park - Member, Vermont Economic Progress Council - February 12, 2014, to March 31, 2015.

O'Connor, Martha of Brattleboro – Member, Vermont State Lottery Commission – March 21, 2014, to February 28, 2017.

Keane, Michael of North Bennington - Member, Vermont Economic Progress Council – July 18, 2013, to March 31, 2017.

Gentile, Betsy of Brattleboro - Member, Vermont Economic Progress Council - July 18, 2013, to March 31, 2017.

Kenney, Frederick S., II of Jericho - Executive Director, Vermont Economic Progress Council - June 26, 2013, to March 31, 2015.

Luce, David of Waterbury Center - Member, Community High School of Vermont Board – March 1, 2014, to February 28, 2017.

Brodsky, Mary of Essex - Member, Human Rights Commission - March 21, 2014, to February 28, 2019.

Dunsmore, Carol of Swanton - Member, Current Use Advisory Board - June 14, 2012, to January 31, 2014.

Fallar, Gail of Tinmouth - Alternate Member, Natural Resources Board - June 7, 2013, to January 31, 2017.

Fallar, Gail of Tinmouth – Member, Current Use Advisory Board – April 8, 2014, to January 31, 2017.

Smith, Denise of St. Albans - Member, VT Citizens' Advisory Council on Lake Champlain's Future - June 7, 2013, to February 28, 2015.

MacDonald, Alex of Lincoln - Member, VT Citizens' Advisory Council on Lake Champlain's Future - September 4, 2013, to February 28, 2015.

Fisher, Lori of Williston - Member, VT Citizens' Advisory Council on Lake Champlain's Future - March 21, 2014, to February 28, 2017.

Fischer, Robert of Barre - Member, VT Citizens' Advisory Council on Lake Champlain's Future - February 12, 2014, to February 28, 2015.

Hansen, Paul of South Alburgh - Member, VT Citizens' Advisory Council on Lake Champlain's Future - March 21, 2014, to February 28, 2017.

Clifford, Eric of Starksboro - Member, VT Citizens' Advisory Council on Lake Champlain's Future – March 1, 2014, to February 28, 2017.

Moore, Julia of Middlesex - Member, VT Citizens' Advisory Council on Lake Champlain's Future - March 1, 2014, to February 28, 2017.

Young, Sheri of Orwell - Member, VT Citizens' Advisory Council on Lake Champlain's Future - March 1, 2014, to February 28, 2017.

Davies, William Boyd of Orleans - Member, Natural Resources Board - June 7, 2013, to January 31, 2017.

Haynes, Charles of East Montpelier - Alternate Member, Natural Resources Board - June 7, 2013, to January 31, 2015.

Illick, Martha of Charlotte - Member, Natural Resources Board – June 7, 2013, to January 31, 2016.

Powden, Patricia Moulton of South Londonderry - Alternate Member, Natural Resources Board - June 7, 2013, to January 31, 2016.

Wilkel, Elizabeth of Walden - Member, Natural Resources Board - February 1, 2012, to January 31, 2015.

Sargent, Donald of Colchester - Member, Natural Resources Board – February 12, 2014, to January 31, 2018.

Wolcott, Julie of Enosburg Falls - Alternate Member, Natural Resources Board – February 12, 2014, to January 31, 2018.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 413, H. 501, H. 555, H. 578, H. 645, H. 646, H. 656, H. 728.

Message from the House No. 70

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered bills originating in the Senate of the following titles:

S. 40. An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable.

S. 202. An act relating to the energy efficiency charge.

S. 256. An act relating to the solemnization of a marriage by a Judicial Bureau hearing officer.

S. 269. An act relating to business consumer protection and data security breaches.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 211. An act relating to permitting of sewage holding and pumpout tanks for public buildings.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 299. An act relating to sampler flights.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Head of South Burlington

Rep. Stevens of Waterbury

Rep. Van Wyck of Ferrisburgh

Adjournment

On motion of Senator Baruth, the Senate adjourned until three o'clock and thirty minutes in the afternoon.

Afternoon

The Senate was called to order by the President.

Message from the House No. 71

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposals of amendment to the following House bills:

H. 325. An act relating to the rights of children of arrested and incarcerated parents.

H. 350. An act relating to the posting of medical unprofessional conduct decisions and to investigators of alleged unprofessional conduct.

H. 581. An act relating to guardianship of minors.

H. 690. An act relating to the definition of serious functional impairment.

H. 740. An act relating to transportation impact fees.

H. 758. An act relating to notice of potential layoffs.

H. 795. An act relating to victim's compensation and restitution procedures.

H. 809. An act relating to designation of new town centers and growth centers.

H. 890. An act relating to approval of amendments to the charter of the City of Burlington regarding the redistricting of City election areas.

And has severally concurred therein.

The Governor has informed the House that on the May 2, 2014, he approved and signed bills originating in the House of the following titles:

H. 347. An act relating to veterinary dentistry.

H. 871. An act relating to miscellaneous pension changes.

H. 886. An act relating to approval of the adoption and the codification of the charter of the Town of Panton.

H. 887. An act relating to approval of the adoption and the codification of the charter of the Town of East Montpelier.

The Governor has informed the House that on the May 5, 2014, he approved and signed a bill originating in the House of the following title:

H. 589. An act relating to hunting, fishing, and trapping.

Committee Relieved of Further Consideration; Bills Committed

H. 870.

On motion of Senator Baruth, the Committee on Rules was relieved of further consideration of House bill entitled:

An act relating to the merger of the Town of Pittsford and the Pittsford Fire District No. 1,

and the bill was committed to the Committee on Government Operations.

H. 892.

On motion of Senator Baruth, the Committee on Rules was relieved of further consideration of House bill entitled:

An act relating to approval of the adoption and the codification of the charter of the Central Vermont Public Safety Authority,

and the bill was committed to the Committee on Government Operations.

H. 893.

On motion of Senator Baruth, the Committee on Rules was relieved of further consideration of House bill entitled:

An act relating to approval of the adoption and the codification of the charter of the North Branch Fire District No. 1,

and the bill was committed to the Committee on Government Operations.

H. 894.

On motion of Senator Baruth, the Committee on Rules was relieved of further consideration of House bill entitled:

An act relating to approval of amendments to the charter of the City of Montpelier and to merging the Montpelier Fire District No. 1 into the City of Montpelier,

and the bill was committed to the Committee on Government Operations.

Committee of Conference Appointed**S. 295.**

An act relating to pretrial services, risk assessments, and criminal justice programs.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Sears
Senator Benning
Senator Lyons

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

House Proposal of Amendment Concurred In with Amendment**S. 208.**

House proposal of amendment to Senate bill entitled:

An act relating to solid waste management.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Architectural Waste Recycling* * *

Sec. 1. FINDINGS

The General Assembly finds that, for the purposes of Secs. 1–3 of this act:

(1) Certain waste from commercial development projects can create significant issues for the capacity and operation of landfills in the State.

(2) There are opportunities for materials recovery of certain waste from commercial development projects in a manner consistent with Vermont’s solid waste management priorities of reuse and recycling.

(3) Substantial opportunity exists in Vermont for the recovery and recycling of certain materials in the waste from commercial development projects, including wood, drywall, asphalt shingles, and metal.

(4) To reduce the amount of waste from commercial development projects in landfills and improve materials recovery, the construction industry should attempt to recover certain waste from commercial development projects from the overall waste stream.

Sec. 2. 10 V.S.A. § 6605m is added to read:

§ 6605m. ARCHITECTURAL WASTE RECYCLING

(a) Definitions. In addition to the definitions in section 6602 of this chapter, as used in this section:

(1) “Architectural waste” means discarded drywall, metal, asphalt shingles, clean wood, and treated or painted wood derived from the construction or demolition of buildings or structures.

(2) “Commercial project” means construction, renovation, or demolition of a commercial building or of a residential building with two or more residential units.

(b) Materials recovery requirement. Beginning on or after January 1, 2015, if a person produces 40 cubic yards or more of architectural waste at a commercial project located within 20 miles of a solid waste facility that recycles architectural waste, the person shall:

(1) arrange for the transfer of architectural waste from the project to a certified solid waste facility, which shall be required to recycle the architectural waste or arrange for its reuse unless the facility demonstrates to the Secretary a lack of a market for recycling or reuse and a plan for reentering the market when it is reestablished; or

(2) arrange for a method of disposition of the architectural waste that the Secretary of Natural Resources deems appropriate as an end use, including

transfer of the architectural waste to an out-of-state facility that recycles architectural waste and similar materials.

(c) Transition; application. The requirements of this section shall not apply to a commercial project subject to a contract entered into on or before January 1, 2015 for the disposal or recycling of architectural waste from the project.

(d) Guidance on separation of hazardous materials. The Secretary of Natural Resources shall publish informational material regarding the need for a solid waste facility that recycles architectural waste to manage properly and provide for the disposition of hazardous waste and hazardous material in architectural waste delivered to a facility.

Sec. 3. ANR REPORT ON ARCHITECTURAL WASTE RECYCLING

On or before January 1, 2017, the Secretary of Natural Resources, after consultation with interested persons, shall submit to the Senate and House Committees on Natural Resources and Energy a report regarding implementation of the requirements for architectural waste recycling in the State under 10 V.S.A. § 6605m. The report shall include:

(1) a summary of the implementation of the requirements of 10 V.S.A. § 6605m for the recycling of architectural waste;

(2) an estimate of the amount of architectural waste recycled or reused since January 1, 2015;

(3) whether viable markets exist for the cost-effective recycling or reuse of additional components of the waste stream from commercial projects;

(4) a recommendation as to whether architectural waste should be banned from landfill disposal; and

(5) any other recommended statutory changes to the requirements of this section.

* * * Solid Waste Management Facility Certification * * *

Sec. 4. 10 V.S.A. § 6605 is amended to read:

§ 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION

* * *

(j) A facility certified under this section that offers the collection of municipal solid waste shall:

* * *

(l) A facility certified under this section that offers the collection of municipal solid waste shall not charge a separate fee for the collection of mandated recyclables. A facility certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection of municipal solid waste and may adjust the charge for the collection of municipal solid waste. A facility certified under this section may charge a separate fee for the collection of leaf and yard residuals or food residuals. If a facility collects mandated recyclables from a commercial hauler, the facility may charge a fee for the collection of those mandated recyclables.

Sec. 5. 10 V.S.A. § 6605c(a) is amended to read:

(a) Notwithstanding sections 6605, 6605f, and 6611 of this title, no person may construct, substantially alter, or operate any categorical solid waste facility without first obtaining a certificate from the Secretary. Certificates shall be valid for a period not to exceed ~~five~~ 10 years.

* * * Solid Waste Transporters; Mandated Recyclables * * *

Sec. 6. 10 V.S.A. § 6607a is amended to read:

§ 6607a. WASTE TRANSPORTATION

(a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so, by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with ~~state~~ State law.

(b) As used in this section:

(1) "Commercial hauler" means:

(A) any person that transports regulated quantities of hazardous waste; and

(B) any person that transports solid waste for compensation in a vehicle ~~having a rated capacity of more than one ton.~~

(2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.

* * *

(g)(1) Except as set forth in subdivisions (2) and (3) of this subsection, a transporter certified under this section that offers the collection of municipal solid waste shall:

(A) Beginning July 1, 2015, offer to collect mandated recyclables separated from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.

(B) Beginning July 1, 2016, offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)–(5) of this title.

(C) Beginning July 1, 2017, offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)–(5) of this title.

(2) In a municipality that has adopted a solid waste management ordinance addressing the collection of mandated recyclables, leaf and yard residuals, or food residuals, a transporter in that municipality is not required to comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:

(A) is applicable to all residents of the municipality;

(B) prohibits a resident from opting out of ~~municipally provided~~ municipally provided solid waste services; and

(C) does not apply a variable rate for the collection for the material addressed by the ordinance.

(3) A transporter is not required to comply with the requirements of subdivision (1)(A), (B), or (C) of this subsection in a specified area within a municipality if:

(A) the Secretary has approved a solid waste implementation plan for the municipality;

(B) for purposes of waiver of the requirements of subdivision (1)(A) of this subsection (g), the Secretary determines that under the approved plan:

(i) the municipality is achieving the per capita disposal rate in the State Solid Waste Plan; and

(ii) the municipality demonstrates that its progress toward meeting the diversion goal in the State Solid Waste Plan is substantially equivalent to

that of municipalities complying with the requirements of subdivision (1)(A) of this subsection (g);

(C) the approved plan delineates an area where solid waste management services required by subdivision (1)(A), (B), or (C) of this subsection (g) are not required; and

~~(C)~~(D) in the delineated area, alternatives to the services, including ~~on-site~~ on-site management, required under subdivision (1)(A), (B), or (C) of this subsection (g) are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.

(h) A transporter certified under this section that offers the collection of municipal solid waste may not charge a separate line item fee on a bill to a residential customer for the collection of mandated recyclables, provided that a transporter may charge a fee for all service calls, stops, or collections at a residential property and a transporter may charge a tiered or variable fee based on the size of the collection container provided to a residential customer or the amount of waste collected from a residential customer. A transporter certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection of solid waste and may adjust the charge for the collection of solid waste. A transporter certified under this section that offers the collection of solid waste may charge a separate fee for the collection of leaf and yard residuals or food residuals from a residential customer.

* * * Solid Waste Infrastructure Advisory Committee * * *

Sec. 7. SOLID WASTE INFRASTRUCTURE ADVISORY COMMITTEE

(a) The Secretary of Natural Resources shall convene a Solid Waste Infrastructure Advisory Committee to review the current solid waste management infrastructure in the State, evaluate the sufficiency of existing solid waste management infrastructure to meet the requirements of subsection 6605(j) of this title, and recommend development or construction of new solid waste management infrastructure in the State.

(b) The Solid Waste Infrastructure Advisory Committee shall be composed of the Secretary of Natural Resources or his or her designee and the following members, to be appointed by the Secretary of Natural Resources:

(1) three representatives of the solid waste management districts or other solid waste management entities in the State;

(2) one representative of a solid waste collector that owns or operates a material recovery facility;

(3) two representatives of solid waste commercial haulers, provided that one of the commercial haulers shall serve rural or underpopulated areas of the State;

(4) one representative of recyclers of food residuals or leaf and yard residuals; and

(5) one Vermont institution or business subject to the requirements under subsection 6605(j) of this title for the management of food residuals.

(c) The Solid Waste Infrastructure Advisory Committee shall:

(1) review the existing systems analysis of the State waste stream to determine whether the existing solid waste management facilities operating in the State provide sufficient services to comply with the requirements of subsection 6605(j) of this title, and meet any demand for services;

(2) summarize the locations or service sectors where the State lacks sufficient infrastructure or resources to comply with the requirements of and demand generated by subsection 6605(j) of this title, including the infrastructure necessary in each location;

(3) estimate the cost of constructing the necessary infrastructure identified under subdivision (2) of this subsection; and

(4) review options for generating the revenue sufficient to fund the costs of constructing necessary infrastructure.

(d) Report. On or before January 15, 2015, the Solid Waste Infrastructure Advisory Committee shall submit to the Senate and House Committees on Natural Resources and Energy a report that includes the information and data developed under subsection (c) of this section.

* * * Vermont Green Up Checkoff * * *

Sec. 7a. 32 V.S.A. § 5862f is added to read:

§ 5862f. VERMONT GREEN UP CHECKOFF

(a) Returns filed by individuals shall include, on a form prescribed by the Commissioner of Taxes, an opportunity for the taxpayer to designate funds to Vermont Green Up, Inc.

(b) Amounts so designated shall be deducted from refunds due to, or overpayments made by, the designating taxpayers. All amounts so designated and deducted shall be deposited in an account by the Commissioner of Taxes for payment to Vermont Green Up, Inc. If at any time after the payment of amounts so designated to the account it is determined that the taxpayer was not entitled to all or any part of the amount so designated, the Commissioner may assess, and the account shall then pay to the Commissioner, the amount

received, together with interest at the rate prescribed by section 3108 of this title, from the date the payment was made until the date of repayment.

(c) The Commissioner of Taxes shall explain to taxpayers the purposes of the account and how to contribute to it. The Commissioner shall make available to taxpayers the annual income and expense report of Vermont Green Up, Inc. and shall provide notice in the instructions for the State individual income tax return that the report is available at the Department of Taxes.

(d) If amounts paid with respect to a return are insufficient to cover both the amount owed on the return under this chapter and the amount designated by the taxpayer as a contribution to Vermont Green Up, Inc., the payment shall first be applied to the amount owed on the return under this chapter and the balance, if any, shall be deposited in the account.

(e) Nothing in this section shall be construed to require the Commissioner to collect any amount designated as a contribution to Vermont Green Up, Inc.

* * * Effective Date * * *

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2014, except that Sec. 7a (Vermont Green Up Checkoff) shall take effect on January 1, 2015 and apply to returns filed after that date.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Hartwell moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 2, 10 V.S.A. § 6605m, in subdivision (a)(1), by striking out “treated or painted wood” and inserting in lieu thereof plywood, and oriented strand board.

Second: By striking out Sec. 7a (Greenup Checkoff) in its entirety.

Which was agreed to.

Proposal of Amendment; Bill Ordered to Lie

H. 661.

House bill entitled:

An act relating to exhumation requirements and notice.

Was taken up.

Thereupon, pending third reading of the bill, Senator Benning moved to amend the Senate proposal of amendment by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 18 V.S.A. § 5212 is amended to read:

§ 5212. PERMIT TO REMOVE DEAD BODIES; NOTICE

* * *

(b) An applicant for a removal permit shall publish notice of his or her intent to remove the remains. This notice shall be published for two successive weeks in a newspaper of general circulation in the municipality in which the body is interred or entombed. The notice shall include a statement that the spouse, child, parent, sibling, or descendant of the deceased, or that the ~~cemetery commissioner~~ Cemetery Commissioner or other municipal authority responsible for cemeteries in the municipality may object to the proposed removal by filing a complaint in the ~~probate division of the superior court~~ Probate Division of the Superior Court of the district in which the body is located as provided in section 5212a of this title. In addition to the published notice, an applicant for a removal permit shall notify directly, by certified mail, the town clerk in the municipality in which the body is interred or entombed and:

(1)(A) the surviving spouse of the deceased, if any;

(B) all surviving adult children of the deceased;

(C) all surviving parents of the deceased; and

(D) all surviving adult siblings of the deceased;

(2) any descendants of the deceased if the individuals listed in subdivisions (1)(A)-(D) of this subsection are nonexistent.

* * *

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senator Benning?, on motion of Senator Baruth the bill was ordered to lie.

**Consideration Resumed; Bill Amended; Bill Passed in Concurrence
with Proposal of Amendment**

H. 864.

Consideration was resumed on House bill entitled:

An act relating to capital construction and State bonding budget adjustment.

Thereupon, Senator Rodgers, requested and was granted leave to offer an amendment after third reading.

Thereupon, pending the question, Shall the bill pass in concurrence with proposal of amendment?, Senator Rodgers, moved that the bill be amended in

Sec. 8, amending 2013 Acts and Resolves No. 51, Sec. 13, in subsection (g), in the first sentence, before “in Pittsford,” by striking out “Center”, and inserting in lieu thereof “Council”, and by inserting after the first sentence the following:

As part of the development of the governance and planning model, it is the intent of the General Assembly that the Commissioner of Buildings and General Services reexamine any lease agreements entered into pursuant to authority granted by 2008 Acts and Resolves No. 200, Sec. 32(e) and 2009 Acts and Resolves No. 43, Sec. 48 conveying land and mineral rights located at the Robert H. Wood, Jr. Criminal Justice and Fire Service Training Council.

Which was agreed to.

Thereupon, the question, Shall the bill pass in concurrence with proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposals of Amendment Concurred In

S. 202.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposals of amendment to Senate bill entitled:

An act relating to the energy efficiency charge.

Was taken up for immediate consideration.

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

First: In Sec. 1, 30 V.S.A. § 209, in subdivision (d)(3)(B), by striking out the third sentence and inserting in lieu thereof a new third sentence to read:

In setting the amount of the charge and its allocation, the Board shall determine an appropriate balance among the following objectives; provided, however, that particular emphasis shall be accorded to the first four of these objectives: reducing the size of future power purchases; reducing the generation of greenhouse gases; limiting the need to upgrade the State’s transmission and distribution infrastructure; minimizing the costs of electricity; reducing Vermont’s total energy demand, consumption, and expenditures; providing efficiency and conservation as a part of a comprehensive resource supply strategy; providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and ~~the value of~~ targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

Second: In Sec. 1, 30 V.S.A. § 209, in subdivision (d)(3)(C), in the first sentence, after “the use of fossil fuels for” by inserting space before “heating” and after “such as air source” by inserting or geothermal before “heat pumps”.

Third: In Sec. 1, 30 V.S.A. § 209, in subdivision (d)(3)(C), in subdivision (i), after “electric ratepayers” by inserting as a whole.

Fourth: In Sec. 1, 30 V.S.A. § 209, in subdivision (d)(3)(C), by striking out subdivision (iii) and inserting in lieu thereof a new subdivision (iii) to read:

(iii) will result in a net reduction in State energy consumption and greenhouse gas emissions on a life-cycle basis and will not have a detrimental impact on the environment through other means such as release of refrigerants or disposal. In making a finding under this subdivision, the Board shall consider the use of the technology at all times of year and any likely new electricity demand created by such use;

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred In

S. 256.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to the solemnization of a marriage by a Judicial Bureau hearing officer.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 5144 is amended to read:

§ 5144. PERSONS AUTHORIZED TO SOLEMNIZE MARRIAGE

(a) Marriages may be solemnized by a ~~supreme court justice~~ Supreme Court Justice, a ~~superior~~ Superior judge, a judge of ~~probate~~ Probate, an assistant judge, a justice of the peace, a magistrate, a Judicial Bureau hearing officer, an individual who has registered as an officiant with the Vermont ~~secretary of state~~ Secretary of State pursuant to section 5144a of this title, a member of the clergy residing in this ~~state~~ State and ordained or licensed, or otherwise regularly authorized thereunto by the published laws or discipline of the general conference, convention, or other authority of his or her faith or denomination, or by such a clergy person residing in an adjoining state or country, whose parish, church, temple, mosque, or other religious organization lies wholly or in part in this ~~state~~ State, or by a member of the clergy residing

in some other state of the United States or in the Dominion of Canada, provided he or she has first secured from the ~~probate division of the superior court~~ Probate Division of the Superior Court in the unit within which the marriage is to be solemnized a special authorization, authorizing him or her to certify the marriage if the ~~probate~~ Probate judge determines that the circumstances make the special authorization desirable. Marriage among the Friends or Quakers, the Christadelphian Ecclesia, ~~and~~ the Baha'i Faith may be solemnized in the manner heretofore used in such societies.

* * *

Sec. 2. RECIPROCAL BENEFICIARIES; REPEAL; INTENT

(a) The stated purpose of the reciprocal beneficiaries is to provide two persons who are blood-relatives or related by adoption the opportunity to establish a consensual reciprocal beneficiaries relationship so they may receive the benefits and protections and be subject to the responsibilities that are granted to spouses in specific areas. Since enactment in 2000, no reciprocal beneficiary relationship has been established in Vermont.

(b) 15 V.S.A. chapter 25 is repealed (reciprocal beneficiaries).

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 208, S. 295, H. 552.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the morning.

WEDNESDAY, MAY 7, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the Governor

A message was received from His Excellency, the Governor, by Louis Porter, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the sixth, day of May, 2014, he approved and signed bills originating in the Senate of the following titles:

S. 100. An act relating to forest integrity.

S. 283. An act relating to the changing of the name of the Vermont Criminal Information Center.

Message from the House No. 72

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 220. An act relating to furthering economic development.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Message from the House No. 73

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered bills originating in the Senate of the following titles:

S. 195. An act relating to increasing the penalties for second or subsequent convictions for disorderly conduct, and creating a new crime of aggravated disorderly conduct.

S. 225. An act relating to a report on recommended changes in the structure of Vermont State employment in order to reduce employment-related stress.

And has passed the same in concurrence.

The House has adopted joint resolution of the following title:

J.R.H. 19. Joint resolution relating to encouraging New Hampshire to enact laws protecting emergency responders from across state lines.

In the adoption of which the concurrence of the Senate is requested.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Lippert of Hinesburg
Rep. Haas of Rochester
Rep. Emmons of Springfield.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 526. An act relating to the establishment of lake shoreland protection standards.

And has adopted the same on its part.

The House has considered Senate proposals of amendment to the following House bills:

H. 217. An act relating to smoking in lodging establishments, hospitals, and child care facilities, and on State lands.

H. 270. An act relating to providing access to publicly funded prekindergarten education .

H. 612. An act relating to Gas Pipeline Safety Program penalties.

H. 823. An act relating to encouraging growth in designated centers and protecting natural resources.

And has severally concurred therein.

The Governor has informed the House that on the May 6, 2014, he approved and signed a bill originating in the House of the following title:

H. 356. An act relating to prohibiting littering in or on the waters of the State.

Message from the House No. 74

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill entitled:

H. 501. An act relating to operating a motor vehicle under the influence of alcohol or drugs.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Waite-Simpson of Essex
Rep. Koch of Barre Town
Rep. Potter of Clarendon

**Rules Suspended; House Proposal of Amendment; Consideration
Postponed**

S. 28.

Appearing on the Calendar for notice, on motion of Senator Campbell, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to gender-neutral nomenclature for the identification of parents on birth certificates.

Was taken up for immediate consideration.

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

First: In Sec. 1, 18 V.S.A. § 5071, in subsection (a), in the first new sentence, after "a parent of the child" and before "shall file" insert or a legal guardian of a mother under 18 years of age

and in subsection (b), by striking out subdivision (2) in its entirety and by striking out the subdivision (1) designation

and by striking out subsection (e) in its entirety and inserting in lieu thereof the following:

(e) When a birth certificate is issued, a parent or parents shall be identified with gender-neutral nomenclature.

Second: By striking out Sec. 5 in its entirety and inserting in lieu thereof three new sections to read as follows:

Sec. 5. 18 V.S.A. § 5078 is amended to read:

§ 5078. ADOPTION; NEW BIRTH CERTIFICATE

(a) The ~~supervisor of vital records registration~~ Supervisor of Vital Records Registration shall establish a new birth certificate for a person born in the ~~state~~ State when the ~~supervisor~~ Supervisor receives a record of adoption as provided in 15 V.S.A. § 449 or a record of adoption prepared and filed in accordance with the laws of another state or foreign country.

(b) The new birth certificate shall be on a form prescribed by the ~~commissioner of health~~ Commissioner of Health. The new birth certificate shall include:

- (1) the actual place and date of birth;
- (2) the date of the filing of the original birth certificate; and
- (3) the adoptive parents as though they were natural parents;
- (3) ~~a notation that it was issued by authority of this chapter.~~

(c) The new birth certificate shall not contain a statement whether the adopted person was illegitimate and it shall not contain any content or statement that would distinguish it from any other original certificate of birth.

(d) The new certificate, and sufficient information to identify the original certificate, shall be transmitted to the clerk of the town of birth to be filed according to the procedures in 15 V.S.A. § 451.

(e) The ~~supervisor of vital records registration~~ Supervisor of Vital Records Registration shall not establish a new birth certificate if the ~~supervisor~~ Supervisor receives, accompanying the record of adoption, a written request that a new certificate not be established:

- (1) from the adopted person if 18 years of age or older; or
- (2) from the adoptive parent or parents if the adopted person is under 18 years of age.

(f) When the ~~supervisor of vital records registration~~ Supervisor of Vital Records Registration receives a record of adoption for a person born in another state, the ~~supervisor~~ Supervisor shall forward a certified copy of the record of adoption to the state registrar in the state of birth, with a request that a new birth certificate be established under the laws of that state.

Sec. 6. DEPARTMENT OF HEALTH REPORT; CERTIFIED COPIES OF BIRTH AND DEATH RECORDS

On or before January 15, 2015, the Commissioner of Health shall submit to the House and Senate Committees on Judiciary and the House and Senate Committees on Government Operations recommended requirements for the issuance of certified birth and death certificates in the State in a manner that complies with the generally accepted, national standards for the issuance of certified copies of birth and death certificates and that reduces the potential for identity theft. The recommendations shall include:

- (1) persons to whom a certified birth or death certificate may be issued;
- (2) application requirements for a birth or death certificate;
- (3) requirements for the custodians of certified birth or death certificates;
- (4) proposed legislative changes necessary to implement any recommendation; and
- (5) any other information that the Commissioner determines is relevant.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Flory moved that consideration be postponed until later in the day.

Which was agreed to.

Rules Suspended; House Proposal of Amendment Concurred In

S. 40.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. INTERIM STUDY OF HIGHER EDUCATION FUNDING; REPORT

(a) The higher education subcommittee of the Prekindergarten-16 Council established in 16 V.S.A. § 2905 shall study and develop proposed policies to make the Vermont State Colleges (VSC) and the University of Vermont

(UVM) more affordable for Vermont residents by lowering costs and restoring the 1980 ratio of State funding to tuition costs and by restoring funding to the Vermont Student Assistance Corporation (VSAC) incentive grant program to reduce the difference between the VSAC incentive grant and the VSC and UVM tuition rates to the amount of that difference in 1980.

(b) In addition to the members of the higher education subcommittee identified in 16 V.S.A. § 2905(d), the following individuals shall be members of the subcommittee solely for purposes of this interim study:

(1) one UVM faculty member to be appointed by United Professions American Federation of Teachers Vermont;

(2) one VSC faculty member to be appointed by United Professions American Federation of Teachers Vermont;

(3) two students, one from UVM and one from VSC, at least one of whom is a current or past recipient of a VSAC incentive grant, appointed by their respective student government associations; and

(4) one VSAC outreach program counselor to be appointed by the VSAC President.

(c) Powers and duties.

(1) The subcommittee shall develop proposed policies to:

(A) lower student and family costs and debt so that UVM and VSC are more affordable for Vermonters;

(B) return to the 1980 level of State funding for the student tuition support ratio for UVM and VSC; and

(C) restore funding to the VSAC incentive grant program to reduce the difference between the VSAC incentive grant and the VSC and UVM tuition rates to the amount of that difference in 1980.

(2) In developing the proposed policies, the subcommittee shall consider:

(A) higher education funding for state colleges and universities in other states, with a particular focus on tuition ratios and funding methods supporting students and public institutions;

(B) the best policies for increasing the enrollment of Vermont students and keeping students in Vermont after they graduate from college;

(C) total spending as compared to instructional spending, and how institutional spending affects student costs;

(D) the uses of VSAC incentive grant funds, including the portability of use for attendance at in-state and out-of-state institutions;

(E) how to minimize the financial impact of living expenses on student costs; and

(F) any information available regarding the impact of VSC and UVM graduates and VSAC incentive grant recipients on Vermont's economy and on job creation and retention.

(d) The chair of the Prekindergarten-16 Council shall convene the first meeting of the interim subcommittee to occur on or before July 1, 2014, at which meeting the members shall elect a chair or co-chairs. On or before January 15, 2015, the subcommittee shall report to the General Assembly on its findings and any recommendations for legislative action.

(e) The subcommittee may meet no more than six times between July 1, 2014 and January 15, 2015 for the purposes of this interim study. For attendance at meetings during adjournment of the General Assembly, legislative members of the subcommittee shall be entitled to compensation and reimbursement for expenses under 2 V.S.A. § 406, and other members of the subcommittee who are not employees of the State of Vermont may be reimbursed at the per diem rate under 32 V.S.A. § 1010 if not otherwise compensated or benefited.

Sec. 2. 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 establishing an interim committee that will develop proposed policies to restore the 1980 ratio of State funding to student tuition at Vermont State Colleges and to make higher education more affordable.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment Concurred In

S. 211.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House proposal of amendment to Senate bill entitled:

An act relating to permitting of sewage holding and pumpout tanks for public buildings.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment to the House proposal of amendment with further proposal of amendment, as follows:

By inserting a new Sec. 2 to read as follows:

Sec. 2. WATER CONNECTION PERMIT MUNICIPAL DELEGATION STUDY

On or before January 1, 2015, the Secretary of Natural Resources shall report to the House Committee on Fish, Wildlife and Water Resources and the Senate Committee on Natural Resources and Energy with recommendations on the following:

(1) how to improve the process for municipal delegation under 10 V.S.A. § 1976;

(2) other ways to streamline permitting and approval under 10 V.S.A. § 1973, including through partial delegation under 10 V.S.A. § 1976; and

(3) a plan for outreach and education to municipalities about the delegation process under 10 V.S.A. § 1976 and the provision for approval of sewer connections at the time of sewer line construction as provided under Section 1-304(a)(14) of the Vermont Wastewater System and Potable Water Supply Rules.

And by renumbering the remaining section to be numerically correct.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment?, was decided in the affirmative.

**Rules Suspended; House Proposal of Amendment Concurred In
S. 218.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to temporary employees.

Was taken up for immediate consideration.

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

First: By inserting a new section to be Sec. 1a to read:

Sec. 1a. COMMISSIONER OF HUMAN RESOURCES; REPORT; TEMPORARY STATE EMPLOYEES; SICK LEAVE BENEFITS

(a) On or before January 15, 2015, the Commissioner of Human Resources shall report to the House and Senate Committees on Government Operations

regarding his or her analysis of whether temporary State employees should be able to earn sick leave benefits.

(b) In conducting his or her analysis, the Commissioner shall consider and include in the report:

(1) how many temporary employees are employed by the State;

(2) the departments in which those temporary employees are employed;

(3) how long those temporary employees have been employed in that capacity;

(4) how much it would cost the State to offer the temporary employees sick leave benefits; and

(5) whether there should be a pathway to permanent employment for temporary employees, and if so, what the standards for permanent employment should be.

Second: In Sec. 2, by striking out the section in its entirety and inserting in lieu thereof a new Sec. 2 to read:

Sec. 2. DEPARTMENT OF CORRECTIONS PROVISIONS RELATING TO CONTRABAND

(a) The Commissioner of Corrections shall adopt rules pursuant to 3 V.S.A. chapter 25 regarding procedures for conducting searches of the personal belongings of any person who enters the secure portion of a State correctional facility. The Commissioner shall consult with the Joint Legislative Corrections Oversight Committee in developing these rules and shall report periodically to the Committee regarding the implementation of these procedures and any issues of concern.

(b) The Commissioner shall identify the types and amounts of contraband, and the methods used to transport contraband into each State correctional facility, including perimeter breaches, mail, and contacts with visitors. The Commissioner shall include this information in the Commissioner's regular monthly reports to the Joint Legislative Corrections Oversight Committee from July 1, 2014 through December 1, 2014.

(c) On or before December 1, 2015, the Commissioner shall make recommendations to the Joint Legislative Corrections Oversight Committee regarding strategies to prevent contraband from entering State correctional facilities.

(d) The Commissioner may conduct preemployment drug screening in accordance with 21 V.S.A. § 512 of all permanent and temporary employees hired after July 1, 2014 and may conduct background investigations, including

obtaining criminal history records in accordance with 20 V.S.A. § 2056a, prior to hiring any permanent or temporary employee.

(e) On or before October 15, 2014, the Department of Corrections shall prepare and submit a report to the Joint Legislative Corrections Oversight Committee on security and safety concerns at State correctional facilities arising from public or private entities employing offenders through work programs.

Third: In Sec. 4, by striking out the section in its entirety and inserting in lieu thereof two new sections to read:

Sec. 4. CONTACT VISITS

The Commissioner of Corrections shall update the Joint Legislative Corrections Oversight Committee on a process for permitting offenders to earn contact visits if the contact privilege was taken away.

Sec. 5. EFFECTIVE DATES

(a) This section and Secs. 1a, 2, and 4 shall take effect on passage.

(b) Secs. 1 and 3 shall take effect on July 1, 2014.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred in With Further Proposal Amendment

S. 221.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to providing statutory purposes for tax expenditures.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Income, Bank Franchise, Insurance Premium,
and Property Taxes * * *

Sec. 1. 16 V.S.A. § 2826 is added to read:

§ 2826. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for interest income from Vermont Student Assistance Corporation (VSAC) bonds in section 2825 of this title is to lower the cost of borrowing in order to finance education loan programs.

(b) The statutory purpose of the exemption for Vermont Student Assistance Corporation property tax in section 2825 of this title is to allow State instrumentalities that provide financial and information resources for postsecondary education and training to use all of their resources for those purposes.

Sec. 2. 30 V.S.A. § 8060(c) is added to read:

(c) The statutory purpose of the exemption for Vermont Telecommunications Authority (VTA) bonds and notes in section 8074 of this title is to lower the cost of borrowing in order to finance the expansion of broadband access across the State.

Sec. 3. 32 V.S.A. § 5813 is added to read:

§ 5813. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for Vermont municipal bond income in subdivision 5811(21)(A)(i) of this title is to lower the cost of borrowing in order to finance State and municipal projects.

(b) The statutory purpose of the Vermont flat capital gains exclusion in subdivision 5811(21)(B)(ii) of this title is intended to increase savings and investment by making the effective tax rate on capital gains income lower than the effective tax rate on earned income while exempting a portion of the gain that may represent inflation. The 40 percent business capital gains exclusion mitigates the impact of one-time realizations in a progressive tax structure.

(c) The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming.

(d) The statutory purpose of the Vermont credit for persons who are elderly or disabled in subsection 5822(d) of this title is to provide financial assistance to seniors and persons who are disabled with little tax-exempt retirement or disability income.

(e) The statutory purpose of the Vermont investment tax credit in subsection 5822(d) of this title is to encourage Vermont business investments by lowering the effective costs of certain activities.

(f) The statutory purpose of the Vermont farm income averaging credit in subdivision 5822(c)(2) of this title is to mitigate the adverse tax consequences of fluctuating farm incomes under a progressive tax structure and to provide stability to farm operations.

(g) The statutory purpose of the exemption for military pay in subdivisions 5823(a)(2) and (b)(3) of this title is to provide additional compensation for

military personnel in recognition of their service to Vermont and to the country.

(h) The statutory purpose of the Vermont charitable housing credit in section 5830c of this title is to enable lower capital cost to certain affordable housing charities by restoring some of the forgone investment income through a tax credit to the investor.

(i) The statutory purpose of the Vermont affordable housing credit in section 5930u of this title is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up-front private investment.

(j) The statutory purpose of the Vermont qualified sale of a mobile home park credit in section 5828 of this title is to encourage sales of mobile home parks to a group composed of a majority of the mobile home park leaseholders, or to a nonprofit organization that represents such a group, and, in doing so, to provide stability to the inhabitants of such mobile home parks.

(k) The statutory purpose of the Vermont higher education investment credit in section 5825a of this title is to encourage contributions to Vermont 529 plans that would not otherwise occur and to lower the cost of higher education for Vermont students and the Vermont taxpayers who financially support them.

(l) The statutory purpose of the Vermont entrepreneurs' seed capital fund credit in section 5830b of this title is to provide incentives for investment in the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

(m) The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(n) The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

(o) The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(p) The statutory purpose of the Vermont research and development tax credit in section 5930ii of this title is to encourage business investment in research and development within Vermont and to attract and retain intellectual-property-based companies.

(q) The statutory purpose of the Vermont downtown tax credits in sections 5930n–5930r of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

(r) The statutory purpose of the Vermont low-income child and dependent care tax credit in section 5828c of this title is to provide cash relief to lower-income employees who incur dependent care expenses in certified centers to enable them to remain in the workforce.

(s) The statutory purpose of the Vermont earned income tax credit in section 5828b of this title is to provide incentives for low-income working families and individuals and to offset the effect on these Vermonters of conventionally regressive taxes.

(t) The statutory purpose of the Vermont machinery and equipment tax credit in section 5930ll of this title is to provide an incentive to make a major, long-term capital investment in Vermont-based plant and property to ensure the continuation of in-state employment.

(u) The statutory purpose of the Vermont employment growth incentive in section 5930b of this title is to provide a cash incentive to encourage quality job growth in Vermont.

(v) The statutory purpose of the Vermont Downtown and Village Center Program tax credits in section 5930cc of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

* * * Meals and Rooms Taxes and Insurance
Premium Taxes * * *

Sec. 4. 32 V.S.A. § 9247 is added to read:

§ 9247. HOSPITAL AND MEDICAL SERVICE CORPORATIONS AND CREDIT UNIONS

Notwithstanding 8 V.S.A. §§ 4518, 4590, and 30901, hospital service corporations, medical service corporations, and credit unions shall be subject to the meals and rooms tax. The statutory purpose of the remaining exemptions in 8 V.S.A. § 4518 is to lower the cost of health services to Vermonters. The statutory purpose of the remaining exemptions in 8 V.S.A. § 4590 is to lower the cost of health services to Vermonters. The statutory purpose of the remaining exemptions in 8 V.S.A. § 30901 is to affirm the nonprofit, cooperative structure of credit unions.

Sec. 5. 32 V.S.A. § 9201 is added to read:

§ 9201. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for grocery-type items furnished for take-out in subdivision 9202(10)(D)(i) of this title is to limit the cost of goods that are necessary for the health and welfare of all people in Vermont.

(b) The statutory purpose of the exemption for meals served or furnished on the premises of a nonprofit organization in subdivision 9202(10)(D)(ii)(I) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(c) The statutory purpose of the exemption for meals provided on school premises in subdivision 9202(10)(D)(ii)(II) of this title is to reduce the overall cost of education in Vermont.

(d) The statutory purpose of the exemption for meals provided at hospitals and convalescent and nursing homes in subdivision 9202(10)(D)(ii)(IV) of this title is to reduce the overall costs of health care and senior care in Vermont.

(e) The statutory purpose of the exemption for summer camps for children in subdivision 9202(10)(D)(ii)(VI) of this title is to reduce the cost of summer education and outdoor activities for youth.

(f) The statutory purpose of the exemption for nonprofits at fairs, bazaars, picnics, and similar events in subdivision 9202(10)(D)(ii)(VII) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(g) The statutory purpose of the exemption for meals furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment in subdivision 9202(10)(D)(ii)(VIII) of this title is to avoid the taxation of in-kind benefits.

(h) The statutory purpose of the exemption for meals served on the premises of a continuing care retirement community in subdivision 9202(10)(D)(ii)(XI) is to exclude meals prepared in a person's home from taxation.

(i) The statutory purpose of the exemption for student housing in subdivision 9202(8) of this title is to reduce the overall costs of education in Vermont.

(j) The statutory purpose of the exemption for rooms furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment in subdivision 9202(6) of this title is to exclude the taxation of in-kind benefits.

(k) The statutory purpose of the exemption for summer camps for children in subdivision 9202(6) of this title is to reduce the cost of summer education and outdoor activities for youth.

(l) The statutory purpose of the exemption for rooms on the premises of a nonprofit in subdivision 9202(3)(C) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

(m) The statutory purpose of the exemption for rooms on the premises of a continuing care retirement community in subdivision 9202(3)(D) of this title is to exclude from taxation rooms that are a person's residence.

* * * Sales Taxes * * *

Sec. 6. 32 V.S.A. § 9706 is added to read:

§ 9706. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for medical products in subdivision 9741(2) of this title is to lower the cost of medical products in order to support the health and welfare of Vermont residents.

(b) The statutory purpose of the exemption for agricultural inputs in subdivision 9741(3) of this title is to promote Vermont's agricultural economy.

(c) The statutory purpose of the exemption for veterinary supplies in subdivision 9741(3) of this title is to lessen the cost of veterinary services in order to support the health and welfare of Vermont animals.

(d) The statutory purpose of the exemption for fuels for railroads and boats in subdivision 9741(7) of this title is to avoid the taxation of fuels for the types of transportation for which public expenditure on infrastructure is unnecessary.

(e) The statutory purpose of the exemption for sales of food in subdivision 9741(13) of this title is to limit the cost of goods that are necessary for the health and welfare of all people in Vermont.

(f) The statutory purpose of the exemption for newspapers in subdivision 9741(15) of this title is to reduce the cost of access to news and community information for people in Vermont.

(g) The statutory purpose of the exemption for rentals of coin-operated washing facilities in subdivision 9741(19) of this title is to exclude from taxation facilities that are still operated with coins.

(h) The statutory purpose of the exemption for admission fees to nonprofit museums in subdivision 9741(20) of this title is to support the missions of certain nonprofit facilities and encourage higher visitation.

(i) The statutory purpose of the exemption for items sold to fire, ambulance, and rescue squads in subdivision 9741(21) of this title is to limit the tax on organizations charged with protecting the safety of the public.

(j) The statutory purpose of the exemption for funeral charges in subdivision 9741(22) of this title is to lessen the costs accumulated by the bereaved.

(k) The statutory purpose of the exemption for commercial, industrial, or agricultural research tangible personal property use in subdivision 9741(24) of this title is to reduce financial barriers to research and innovation in the commercial, industrial, and agricultural industries.

(l) The statutory purpose of the exemption for agricultural machinery and equipment in subdivision 9741(25) of this title is to promote Vermont's agricultural economy.

(m) The statutory purpose of the exemption for energy purchases for a residence in subdivision 9741(26) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

(n) The statutory purpose of the exemption for energy purchases for farming in subdivision 9741(27) of this title is to promote Vermont's agricultural economy.

(o) The statutory purpose of the exemption for sales of films to movie theaters in subdivision 9741(28) of this title is to avoid double taxation.

(p) The statutory purpose of the exemption for aircraft and depreciable parts for commercial and private use in subdivision 9741(29) of this title is to promote the growth of the aircraft maintenance industry in Vermont.

(q) The statutory purpose of the exemption for railroad rolling stock and depreciable parts in subdivision 9741(30) of this title is to increase the use of rail for transport.

(r) The statutory purpose of the exemption for ferryboats and depreciable parts in subdivision 9741(31) of this title is to increase the use of ferries for transport.

(s) The statutory purpose of the exemption for sales of mobile homes and modular housing in subdivision 9741(32) of this title is to create equity between mobile and modular housing and traditional residential construction by providing an exemption for the estimated portion of the cost attributable to labor (versus materials).

(t) The statutory purpose of the exemption for the United States flag sold to or by exempt veterans' organizations in subdivision 9741(33) of this title is to support veterans' organizations in performing their traditional functions.

(u) The statutory purpose of the exemption for property transferred as an incidental part of a personal service transaction or transfer of intangible property rights in subdivision 9741(35) of this title is to forgo taxation when the cost of compliance exceeds the revenues.

(v) The statutory purpose of the exemption for advertising materials in subdivision 9741(36) of this title is to exclude tangible personal property from taxation if it is incidental to a larger service.

(w) The statutory purpose of the exemption for documents that record a professional service in subdivision 9741(37) of this title is to exclude tangible personal property from taxation if it is incidental to a service package.

(x) The statutory purpose of the tracked vehicles cap in subdivision 9741(38) of this title is to lessen the cost of capital investments.

(y) The statutory purpose of the exemption for sales of building materials in subdivisions 9741(39) of this title is to provide incentives to restore and revitalize downtown districts.

(z) The statutory purpose of the exemption for third party scrap construction materials in subdivision 9741(43) of this title is to promote the reuse and recycling of scrap construction materials.

(aa) The statutory purpose of the exemption for property incorporated in a railroad line in subdivision 9741(44) of this title is to increase the use of rail for transport by lowering the costs of materials.

(bb) The statutory purpose of the exemption for clothing and footwear in subdivision 9741(45) of this title is to limit the tax burden on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

(cc) The statutory purpose of the exemptions for property incorporated into a net metering system, on-premise energy systems not connected to the electric distribution system, and solar hot water heating systems in subdivision 9741(46) of this title are to increase the deployment of solar technologies until the price of solar materials and installation decreases to the point it does not need State subsidization.

(dd) The statutory purpose of the exemption for purchases by and limited purchases from 501(c)(3) organizations in subdivision 9743(3) of this title is to reduce costs for certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

(ee) The statutory purpose of the exemption for building materials and supplies used in construction or repair of buildings by governmental bodies, 501(c)(3) organizations, or development corporations in subdivision 9743(4) of this title is to reduce the costs of construction for certain nonprofit organizations in order to allow them to dedicate more financial resources to their public-service missions.

(ff) The statutory purpose of the exemption for amusement charges for four events per year for 501(c)(4)–(13) and (19) organizations and political organizations in subdivision 9743(5) of this title is to reduce the costs for and encourage participation in a limited number of events organized by certain nonprofit organizations in order to allow these organizations to dedicate more financial resources to their public-service missions.

(gg) The statutory purpose of the exemption for amusement charges for events presented by 501(c)(3) organizations in subdivision 9743(7) of this title is to reduce the costs for and encourage participation in fundraising events organized by certain nonprofit organizations in order to allow these organizations to dedicate more financial resources to their public-service missions.

(hh) The statutory purpose of the reallocation of receipts from tax imposed on sales of construction materials in section 9819 of this title is to provide incentives to restore and revitalize certain properties in designated downtown districts.

(ii) The statutory purpose of the exemption for sales by licensed auctioneers in subdivision 9741(48) of this title is to extend the “casual sale” exemption to sales involving an auctioneer selling on behalf of a third party.

* * * Property Taxes * * *

Sec. 7. 10 V.S.A. § 210 is added to read:

§ 210. STATUTORY PURPOSES

The statutory purpose of the exemption for local development corporations in section 236 of this title is to promote economic development.

Sec. 8. 10 V.S.A. § 602 is added to read:

§ 602. STATUTORY PURPOSES

The statutory purpose of the exemption for the Vermont Housing Finance Agency in subsection 641(a) of this title is to provide and promote affordable housing.

Sec. 9. 16 V.S.A. § 2170 is added to read:

§ 2170. STATUTORY PURPOSES

The statutory purpose of the exemption for the Vermont State Colleges in section 2178 of this title is to allow institutions providing higher education to deploy more of their financial resources to their educational missions.

Sec. 10. 16 App. V.S.A. § 1-15a is added to read:

§ 1-15a. STATUTORY PURPOSES

The statutory purpose of the exemption for the University of Vermont in section 1-15 of this chapter is to allow institutions providing higher education to deploy more of their financial resources to their educational missions.

Sec. 11. 18 V.S.A. § 5300 is added to read:

§ 5300. STATUTORY PURPOSES

The statutory purpose of the exemption for cemeteries in sections 5317 and 5376 of this title is to lower the cost of establishing and maintaining cemeteries.

Sec. 12. 22 V.S.A. § 68 is added to read:

§ 68. STATUTORY PURPOSES

The statutory purpose of the exemption for libraries in section 109 of this title is to aid libraries in offering free and public access to information and research resources.

Sec. 13. 24 V.S.A. § 4000 is added to read:

§ 4000. STATUTORY PURPOSES

The statutory purpose of the exemption for housing authorities in section 4020 of this title is to promote, provide, and preserve affordable housing.

Sec. 14. 32 V.S.A. § 3750 is added to read:

§ 3750. STATUTORY PURPOSES

The statutory purpose of the Vermont Use Value Appraisal Program in chapter 124 of this title is to preserve the working landscape and the rural character of Vermont.

Sec. 15. 32 V.S.A. § 3800 is added to read:

§ 3800. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for congressionally chartered organizations in subdivision 3802(2) of this title is to support certain organizations with a patriotic, charitable, historical, or educational purpose.

(b) The statutory purpose of the exemption for public, pious, and charitable property in sections 3832 and 3840 and subdivision 3802(4) of this title is to allow these organizations to dedicate more of their financial resources to furthering their public-service missions.

(c) The statutory purpose of the exemption for college fraternities and societies in subdivision 3802(5) of this title is to promote civic services.

(d) The statutory purpose of the exemption for Young Men's and Women's Christian Associations in subdivision 3802(6) of this title is to allow these organizations to dedicate more of their financial resources to furthering their public-service missions.

(e) The statutory purpose of the exemption for cemeteries in subdivision 3802(7) of this title is to lower the cost of establishing and maintaining cemeteries.

(f) The statutory purpose of the exemption for property owned by agricultural societies in subdivision 3802(9) of this title is to lower the cost of public access to agricultural events.

(g) The statutory purpose of the exemption for \$10,000.00 of appraised value of a residence for a veteran in subdivision 3802(11) of this title is to recognize disabled veterans' service to Vermont and to the country.

(h) The statutory purpose of the exemption for property exclusively installed and operated for the abatement of water pollution in subdivision 3802(12) of this title is to encourage real property improvements that abate water pollution by nonpublic entities that would not qualify for an exemption as a government entity.

(i) The statutory purpose of the exemption for humane societies in subdivision 3802(15) of this title is to lower operating costs for organizations that protect animals to allow them to dedicate more of their financial resources to furthering their public-service missions.

(j) The statutory purpose of the exemption for federally qualified health centers or rural health clinics in subdivision 3802(16) of this title is to support health centers that serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, and have an ongoing quality assurance program.

(k) The statutory purpose of the railroad property alternative tax method in subdivision 3803(1) of this title is to provide an alternative to the traditional valuation method in order to achieve consistency across municipalities.

(l) The statutory purpose of the telephone property alternative tax method referenced in subdivision 3803(2) of this title is to provide an alternative to the

traditional valuation method in order to achieve consistency across municipalities.

(m) The statutory purpose of the exemptions in Vermont permanent session law in 2008 Acts and Resolves No. 190, 1892 Acts and Resolves No. 213, 1945 Acts and Resolves No. 204, 1939 Acts and Resolves No. 250, 1921 Acts and Resolves No. 31, 1921 Acts and Resolves No. 262, 1910 Acts and Resolves No. 370, and 1900 Acts and Resolves No. 244 is to provide relief to specific properties that have demonstrated an individual purpose to the General Assembly.

Sec. 16. 32 V.S.A. § 5400 is added to read:

§ 5400. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for whey processing fixtures in subdivision 5401(10)(G) of this title is to support industries using whey processing facilities to convert waste into value-added products.

(b) The statutory purpose of the exemption for municipalities hosting large power plants in subsection 5402(d) of this title is to compensate businesses and residents of the community hosting a nuclear power facility.

(c) The statutory purpose of the exemption for qualified housing in subdivision 5404a(a)(6) of this title is to ensure that taxes on this rent restricted housing provided to low- and moderate-income Vermonters are more equivalent to property taxed using the State homestead rate and to adjust the costs of investment in rent restricted housing to reflect more accurately the revenue potential of such property.

(d) The statutory purpose of the tax increment financing districts in subsection 5404a(f) of this title is to allow communities to encourage investment and improvements that would not otherwise occur and to use locally the additional property tax revenue attributable to those investments to pay off the debt incurred to construct the improvements.

(e) The statutory purpose of the Vermont Economic Progress Council approved stabilization agreements in section 5404a of this title is to provide exemptions on a case-by-case basis in conjunction with other economic development efforts in order to facilitate economic development that would not otherwise occur.

(f) The statutory purpose of the large power plants alternative tax method in subdivision 5401(10)(B) of this title is to provide an alternative to the traditional valuation method for a unique property.

(g) The statutory purpose of the wind-powered electric generating facilities alternative tax scheme in subdivision 5401(10)(J)(i) of this title is to provide an alternative to the traditional valuation method in order to achieve consistent valuation across municipalities.

(h) The statutory purpose of the renewable energy plant generating electricity from solar power alternative tax structure in subdivision 5401(10)(J)(ii) is to provide an alternative to the traditional valuation method in order to achieve consistent valuation across municipalities.

* * * Insurance Premium Taxes * * *

Sec. 17. 8 V.S.A. § 3700 is added to read:

§ 3700. STATUTORY PURPOSES

The statutory purpose of the exemption for annuity considerations in section 3718 of this title is to avoid reciprocity from other states.

Sec. 18. 8 V.S.A. § 4460 is added to read:

§ 4460. STATUTORY PURPOSES

The statutory purpose of the exemption for fraternal societies in section 4500 of this title is to support benevolent societies that provide benefits to members and to the community.

* * * Transportation Taxes * * *

Sec. 19. 23 V.S.A. § 3000 is added to read:

§ 3000. STATUTORY PURPOSES

The statutory purpose of the exemption for diesel tax in section 3003 of this title is to relieve off-road uses and farm truck uses from the user fee for the State highway system.

Sec. 20. 32 V.S.A. § 8900 is added to read:

§ 8900. STATUTORY PURPOSES

(a) The statutory purpose of the exemption for pious or charitable institutions or volunteer fire companies in subdivision 8911(3) of this title is to lower the operating costs of pious and charitable organizations considered exempt under subdivision 3802(4) of this title to allow them to dedicate more of their financial resources to furthering their public-service missions.

(b) The statutory purpose of the exemption for nonregistered vehicles in subdivision 8911(5) of this title is to exclude from the tax vehicles that are not entitled to use the State highway system.

(c) The statutory purpose of the exemption for gifts in subdivision 8911(8) of this title is to avoid the intrusion of a tax into sharing transactions that are common within families.

(d) The statutory purpose of the exemption for persons with disabilities in subdivision 8911(12) of this title is to lessen the cost of purchasing a vehicle that has been modified to meet the physical needs of a qualifying Vermonter.

(e) The statutory purpose of the exemption for veterans in subdivision 8911(14) of this title is to remove every cost to a qualifying veteran of receiving a vehicle granted by the Veterans' Administration.

(f) The statutory purpose of the general exemption of trade-in value in subdivisions 8902(4) and (5) of this title is to ensure the use value of a vehicle is taxed only once.

* * * Tax Expenditure Report * * *

Sec. 21. 32 V.S.A. § 312 is amended to read:

§ 312. TAX EXPENDITURE REPORT

(a) As used in this section, "tax expenditure" shall mean the actual or estimated loss in tax revenue resulting from any exemption, exclusion, deduction, ~~or~~ credit, preferential rate, or deferral of liability applicable to the tax. Tax expenditures shall not include the following:

- (1) revenue outside the taxing power of the State;
- (2) provisions outside the normal structure of a particular tax, or taxed under an alternative tax structure;
- (3) revenue forgone as unduly burdensome to administer; and
- (4) for the purpose of avoiding government taxing itself.

(b) Tax expenditure reports. Biennially, as part of the budget process, beginning January 15, 2009, the Department of Taxes and the Joint Fiscal Office shall file with the House Committees on Ways and Means and on Appropriations and the Senate Committees on Finance and on Appropriations a report on tax expenditures in the personal and corporate income taxes, sales and use tax, and meals and rooms tax, insurance premium tax, bank franchise tax, education property tax, diesel fuel tax, gasoline tax, motor vehicle purchase and use tax, ~~and such other tax expenditures for which the Joint Fiscal Office and the Department of Taxes jointly have produced revenue estimates.~~ The Office of Legislative Council shall also be available to assist with this tax expenditure report. The report shall include, for each tax expenditure, the following information:

- (1) ~~A~~ a description of the tax expenditure;

(2) ~~The~~ the most recent fiscal information available on the direct cost of the tax expenditure in the past two years;

(3) ~~The~~ the date of enactment of the expenditure;

(4) ~~A~~ a description of and estimate of the number of taxpayers directly benefiting from the expenditure provision;

(5) a description of the statutory purpose explaining the policy goal behind the expenditure as required by subsection (d) of this section and 2013 Acts and Resolves No.73, Sec. 5; and

(6) a compilation of the items excluded under subsection (a) of this section.

(c) [Deleted.]

(d) Every tax expenditure, as defined in subsection (a) of this section, in the tax expenditure report required by this section shall be accompanied in statute by a statutory purpose explaining the policy goal behind the exemption, exclusion, deduction, or credit applicable to the tax. The statutory purpose shall appear as a separate subsection or subdivision in statute and shall bear the title "Statutory Purpose." Notwithstanding any other provision of law, a tax expenditure listed in the tax expenditure report that lacks a statutory purpose in statute shall not be implemented or enforced until a statutory purpose is provided.

* * * Repeals * * *

Sec. 22. REPEALS

The following are repealed:

(1) 32 V.S.A. § 9741(39)(ii) (tax exemption on sales of building materials in excess of \$250,000.00).

(2) 32 V.S.A. § 9771a (limitation of tax on telecommunications services).

(3) 2010 Acts and Resolves No. 160, Sec. 2(d) (requiring January 15, 2015 tax expenditure report to include list of federal tax expenditures).

* * * Effective Date * * *

Sec. 23. EFFECTIVE DATE

This act shall take effect on July 1, 2014, except for Sec. 22(2) (Repeals; limitation of tax on telecommunications), which is repealed on January 1, 2015.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senator Galbraith moved that the Senate concur in the House proposal of amendment with further proposal of amendment, as follows:

First: In Sec. 6, in 32 V.S.A. § 9706, in subsection (p), after “the aircraft maintenance industry in Vermont” by inserting “by lowering the cost of parts and equipment relative to other states with private airplane maintenance facilities”

Second: In Sec. 15, in 32 V.S.A. § 3800, by striking subsection (c) in its entirety and by relettering the remaining subsections to be alphabetically correct.

Third: In Sec. 21, in 32 V.S.A. § 312, in subsection (a), subdivision (2), by striking out: “, or taxed under an alternative tax structure”

Fourth: In Sec. 21, in 32 V.S.A. § 312, by adding a sentence at the end of subsection (d) to read: “The Department of Taxes shall notify the General Assembly when it has determined that a tax expenditure listed in the tax expenditure report lacks a statutory purpose, and the Department shall specify a date, no later than one year after its determination, that it will cease implementation or enforcement of the tax expenditure.”

Fifth: in Sec. 22 (repeals), by inserting a subdivision (4) to read:

(4) 32 V.S.A. § 3802(5) (college fraternities and societies exemption) is repealed on July 1, 2014.

Which was agreed to.

**Consideration Resumed; House Proposal of Amendment Concurred in
With Further Proposal of Amendment**

S. 28.

Consideration was resumed on House proposal of amendment to Senate bill entitled:

An act relating to gender-neutral nomenclature for the identification of parents on birth certificates.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Flory moved that the Senate concur in the House proposal of amendment with further proposal of amendment as follows:

By striking out Sec. 5 (adoption; new birth certificate) in its entirety.

And by renumbering the remaining sections to be numerically correct.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment, as moved by Senator Flory, was decided in the affirmative.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 699.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to temporary housing.

Was taken up for immediate consideration.

Senator Lyons, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 699. An act relating to temporary housing.

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

Sec. 1. 33 V.S.A. § 2103 is amended to read:

§ 2103. ELIGIBILITY

* * *

(f) An eligible participant for temporary housing shall not be required to furnish more than 30 percent of his or her income toward the cost of temporary housing. The Secretary of Human Services may adopt rules as necessary, pursuant to 3 V.S.A. chapter 25, to implement this subsection. On or before March 1, 2017, the Secretary of Human Services shall submit data to the Senate Committee on Health and Welfare and the House Committee on Human Services regarding the impact of this policy on the program and its participants.

Sec. 2. EFFECTIVE DATES

This act shall take effect on passage, except in Sec. 1, 33 V.S.A. § 2103, subsection (f) shall be repealed on July 1, 2018.

VIRGINIA V. LYONS
ANN E. CUMMINGS
ANTHONY POLLINA

Committee on the part of the Senate

MICHAEL MROWICKI
FRANCIS M. MCFAUN
LYNN D. BATCHELOR

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Message from the House No. 75

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 673. An act relating to retired teachers' health care costs.

In the passage of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill of the following title:

H. 497. An act relating to the open meeting law.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposals of amendment to House bill of the following title:

H. 790. An act relating to Reach Up eligibility.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

And the Speaker appointed as members of such Committee on the part of the House:

Rep. Trieber of Rockingham
Rep. Pugh of South Burlington
Rep. O'Brien of Richmond

Adjournment

On motion of Senator Campbell, the Senate adjourned until three o'clock and thirty minutes in the afternoon.

Afternoon

The Senate was called to order by the President.

Bill Referred

House bill of the following title was read the first time and referred:

H. 673.

An act relating to retired teachers' health care costs.

To the Committee on Rules.

Bills Referred to Committee on Appropriations

Pending entry on the Calendar for notice, House bills of the following titles, on motion of Senator Campbell, were severally referred to the Committee on Appropriations:

H. 869. An act relating to miscellaneous agricultural subjects.

H. 876. An act relating to making miscellaneous amendments and technical corrections to education laws.

Message from the House No. 76

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

And has adopted the same on its part.

Rules Suspended; Proposals of Amendment; Third Reading Ordered**H. 695.**

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to establishing a product stewardship program for primary batteries.

Was taken up for immediate consideration.

Senator Rodgers, for the Committee on Natural Resources and Energy, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, in 10 V.S.A. § 7581, by striking out subdivisions (10) and (11) in their entirety and inserting in lieu thereof the following to read as follows:

(10) “Primary battery” means a nonrechargeable battery weighing two kilograms or less, including alkaline, carbon-zinc, and lithium metal batteries. “Primary battery” shall not mean:

(A) batteries intended for industrial, business-to-business, warranty or maintenance services, or nonpersonal use;

(B) a battery that is sold in a computer, computer monitor, computer peripheral, printer, television, or device containing a cathode ray tube;

(C) a battery that is not easily removable or is not intended to be removed from a consumer product; and

(D) a battery that is sold or used in a medical device, as that term is defined in the federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 321(h), as may be amended.

(11) “Primary battery producer” or “producer” means one of the following with regard to a primary battery that is sold or offered for sale in the State:

(A) a person who manufactures a primary battery and who sells or offers for sale that primary battery in the State under the person’s own name or brand;

(B) if subdivision (A) of this subdivision (11) does not apply, a person who owns or licenses a trademark or brand under which a primary battery is sold or offered for sale whether or not the trademark is registered; or

(C) if subdivisions (A) and (B) of this subdivision (11) do not apply, a person who imports a primary battery into the State for sale.

and in subdivision (18)(B), before “medical device” by striking out “an implanted” and inserting in lieu thereof a

Second: In Sec. 1, in 10 V.S.A. § 7582, by striking out subsections (a) and (b) in their entirety and inserting in lieu thereof the following to read as follows:

(a) Sale prohibited. Except as set forth under subsections (b) and (c) of this section, beginning on January 1, 2016, a producer of a primary battery shall not sell, offer for sale, or deliver to a retailer for subsequent sale a primary battery unless:

(1) the producer or the primary battery stewardship organization in which the producer is participating is registered under an approved and implemented primary battery stewardship plan;

(2) the producer or primary battery stewardship organization has paid the fee under section 7594 of this title; and

(3) the name of the producer and the producer's brand are designated on the Agency website as covered by an approved primary battery stewardship plan.

and by relettering the remaining subsections to be alphabetically correct.

Third: In Sec. 1, in 10 V.S.A. § 7584, by striking out subdivision (b)(8) in its entirety and inserting in lieu thereof the following to read as follows:

(8) Performance goal; collection rate. A primary battery stewardship plan shall include a collection rate performance goal for the primary batteries subject to the plan. The collection rate includes the estimated total weight of primary batteries that will be sold or offered for sale in the State by the producer or the producers participating in the primary battery stewardship plan.

Fourth: In Sec. 1, in 10 V.S.A. § 7585, by striking out subsection (a) in its entirety and inserting in lieu thereof the following to read as follows:

(a) Annual report. On or before March 1, 2017, and annually thereafter, a producer or a primary battery stewardship organization shall submit a report to the Secretary that contains the following:

(1) the weight of primary batteries collected by the producer or the primary battery stewardship organization in the prior calendar year;

(2) the estimated percentage, by weight, of rechargeable batteries collected by the producer or the primary battery stewardship organization in the prior calendar year;

(3) the percentage of primary batteries collected in the prior calendar year that are from producers who are not participating in any approved stewardship plan, based on periodic sorting of primary batteries by the reporting producer;

(4) the collection rate achieved in the prior calendar year under the primary battery stewardship plan, including a report of the estimate total sales data by weight for primary batteries sold in the State for the previous three calendar years;

(5) the locations for all collection points set up by the primary battery producers covered by the primary battery stewardship plan and contact information for each location;

(6) examples and description of educational materials used to increase collection;

(7) the manner in which the collected primary batteries were managed;

(8) any material change to the primary battery stewardship plan approved by the Secretary pursuant to section 7586 of this title; and

(9) the cost of implementation of the primary battery stewardship plan, including the costs of collection, recycling, education, and outreach.

Fifth: In Sec. 1, in 10 V.S.A. § 7586, in subsection (f), in the last sentence, by striking out “7582(d)” where it appears and inserting in lieu thereof 7582(c)

Sixth: In Sec. 1, in 10 V.S.A. § 7589, in subdivision (a)(1), after “reimbursement from the following entities of” and before “costs per unit” by striking out “direct” and inserting in lieu thereof reimbursable

and by striking out subsection (c) in its entirety and inserting in lieu thereof the following:

(c) Reimbursable costs. Under this subchapter, reimbursement shall be allowed only for those costs incurred in collecting the batteries subject to the reimbursement request. Reimbursable costs include:

(1) costs of collection, transport, recycling, and other methods of disposition identified in a primary battery stewardship plan approved pursuant to section 7586 of this title; and

(2) reasonable educational, promotional, or administrative costs.

Seventh: In Sec. 1, in 10 V.S.A. § 7590, in subdivision (a)(1), after “organization that incurs reimbursable” and before “costs under section 7589” by striking out “direct”

and in subdivision (a)(3), after “the amount of reimbursement, and the” and before “costs assessed by each” by striking out “direct” and inserting in lieu thereof reimbursable

Eighth: In Sec. 1, in 10 V.S.A. § 7591, by striking out subsections (a)–(e) in their entirety and inserting in lieu thereof the following to read:

(a) Action against producer with no primary battery stewardship plan. A producer, a primary battery stewardship organization implementing an approved primary battery stewardship plan in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization may bring a civil action against another producer or primary battery stewardship organization for damages when:

(1) the plaintiff producer, primary battery stewardship organization, rechargeable battery steward, or rechargeable battery stewardship organization incurs more than \$1,000.00 in actual reimbursable costs collecting, handling, recycling, or properly disposing of primary batteries sold or offered for sale in the State by that other producer;

(2) the producer from whom damages are sought:

(A) can be identified as the producer of the collected primary batteries from a brand or marking on the discarded battery or from other information available to the plaintiff producer, primary battery stewardship organization, rechargeable battery steward, or rechargeable battery stewardship organization; and

(B) does not operate or participate in an approved primary battery stewardship organization in the State or is not otherwise in compliance with the requirements of this chapter.

(b) Action against producer with an approved primary battery stewardship plan. A producer, a primary battery stewardship organization in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization may bring a civil action for damages against a primary producer or primary battery stewardship organization in the State that is in compliance with the requirements of this chapter, provided that the conditions of subsection (d) of this section have been met.

(c) Action against rechargeable battery stewardship organization. A producer, a primary battery stewardship organization in compliance with the requirements of this chapter, a rechargeable battery steward, or a rechargeable battery stewardship organization may bring a civil action for damages against a rechargeable battery stewardship organization registered by the Secretary, provided that the conditions of subsection (d) of this section have been met.

(d) Condition precedent to cause of action. Except as authorized under subsection (a) of this section, a cause of action under this section shall be allowed only if:

(1) a plaintiff producer, primary battery stewardship organization, or rechargeable battery stewardship organization submitted a reimbursement

request to another producer, primary battery stewardship organization, or rechargeable battery stewardship organization under subchapter 4 of this chapter; and

(2) the plaintiff producer, primary battery stewardship organization, or rechargeable battery stewardship organization does not receive reimbursement within:

(A) 90 days of the reimbursement request, if no independent audit is requested under subchapter 4 of this chapter; or

(B) 60 days after completion of an audit if an independent audit is requested under subchapter 4 of this chapter, and the audit confirms the validity of the reimbursement request.

and by relettering the remaining subsections to be alphabetically correct

and in the new subsection (g) (Damages; definition), after “means the actual,” and before “costs a plaintiff producer” by striking out “direct” and inserting in lieu thereof reimbursable

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Hartwell, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources and Energy.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 497.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to the open meeting law.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

In Sec. 3, 1 V.S.A. § 313, in subsection (a), subdivision (3), by striking out the words “employee other than the appointment of a person to a public body or to any elected office” and inserting in lieu thereof the following: “employee, provided that the public body shall make a final decision to hire or appoint a public officer or employee in an open meeting and shall explain the reasons for its final decision during the open meeting”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate**

H. 765.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to eliminating the part-time certification of law enforcement officers.

Was taken up for immediate consideration.

Senator French, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 765. An act relating to eliminating the part-time certification of law enforcement officers.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Vermont Criminal Justice Training Council * * *

Sec. 1. 20 V.S.A. § 2351 is amended to read:

§ 2351. PURPOSE; ~~DEFINITION OF COUNCIL~~

(a) In order to promote and protect the health, safety, and welfare of the public, it is in the public interest to provide for the creation of “~~the the~~ the the Vermont Criminal Justice Training ~~Council.~~” Council.

(b) The Council is created to encourage and assist municipalities, counties, and governmental agencies of this State in their efforts to improve the quality of law enforcement and citizen protection by maintaining a uniform standard of recruit and in-service training for law enforcement officers, including members of the Department of Public Safety, capitol police officers, municipal police officers, constables, correctional officers, prosecuting personnel, motor vehicle inspectors, State investigators employed on a full-time basis by the Attorney General, fish and game wardens, sheriffs and their deputies who exercise law enforcement powers pursuant to the provisions of 24 V.S.A. §§ 307 and 311, ~~and~~ railroad police commissioned pursuant to 5 V.S.A. chapter 68, subchapter 8, and police officers appointed to the University of Vermont's Department of Police Services.

(c) The Council shall offer continuing programs of instruction in up-to-date methods of law enforcement and the administration of criminal justice.

(d) It is the responsibility of the Council to encourage the participation of local governmental units in the program and to aid in the establishment of adequate training facilities.

Sec. 2. 20 V.S.A. § 2352 is amended to read:

§ 2352. CREATION OF COUNCIL

(a) The ~~criminal justice training council~~ Vermont Criminal Justice Training Council shall consist of the ~~commissioners of public safety, corrections, motor vehicles, fish and wildlife~~ Commissioners of Public Safety, of Corrections, of Motor Vehicles, and of Fish and Wildlife, the ~~attorney general~~ Attorney General, a member of the Vermont ~~state police~~ State Police bargaining unit of the Vermont ~~state employees' association~~ State Employees' Association or its successor entity, elected by its membership, and a member of the Vermont ~~police association~~ Police Association, elected by its membership. The ~~governor~~ Governor shall appoint five additional members so as to provide broad representation of all aspects of law enforcement and the public in Vermont on the ~~council~~ Council. The ~~governor~~ Governor shall solicit recommendations for appointment from the Vermont ~~state's attorneys association~~ State's Attorneys Association, the Vermont ~~state's sheriffs association~~ State's Sheriffs Association, and the Vermont ~~police chiefs association~~ Police Chiefs Association, and the Vermont Constables Association. Their term shall be three years.

* * *

Sec. 3. 20 V.S.A. § 2355 is amended to read:

§ 2355. POWERS AND DUTIES

(a) The ~~council~~ Council shall adopt rules with respect to:

(1) ~~The~~ the approval, or revocation thereof, of law enforcement officer training schools and off-site training programs;

(2) ~~Minimum~~ minimum courses of study, attendance requirements, and equipment and facilities to be required at approved law enforcement officer training schools and off-site training programs;

(3) ~~Minimum~~ minimum qualifications for instructors at approved law enforcement officer training schools and off-site training programs;

(4) ~~Minimum~~ minimum basic training for law enforcement officers in each level of law enforcement officer certification and the time within which that training shall be completed;

(5) ~~Minimum basic training in order to retain their status for law enforcement officers who are appointed on a permanent basis, and the time within which that basic training shall be completed following appointment; [Repealed.]~~

(6) ~~Minimum~~ minimum annual in-service training requirements for law enforcement officers in each level of law enforcement officer certification;

(7) ~~Minimum~~ minimum courses of training for other criminal justice personnel;

(8) ~~Categories~~ categories or classifications of advanced in-service training programs and minimum courses of study and attendance requirements with respect to those categories or classifications;

(9) ~~Recertification~~ recertification of persons who have not been employed as law enforcement officers for a three-year period;

(10) ~~A~~ a definition of criminal justice personnel and criminal justice training for purposes of this title;

(11) ~~Decertification~~ decertification of persons who have been convicted of a felony subsequent to their certification as law enforcement officers;

(12) ~~Decertification~~ decertification of persons who have not complied with in-service training requirements, provided that the ~~council~~ Council, through its ~~executive director~~ Executive Director, may grant a 60-day waiver to a ~~police~~ law enforcement officer who has failed to meet his or her annual in-service training requirements but who is able to complete those training requirements within that 60-day period.

(b) The ~~council~~ Council shall conduct and administer training schools and offer courses of instruction for law enforcement officers and other criminal justice personnel. The ~~council~~ Council may also offer the basic officer's course for pre-service students.

(c)(1) The ~~council~~ Council shall appoint, subject to the approval of the ~~governor~~ Governor, an ~~executive-director~~ Executive Director who shall be an exempt ~~state~~ State employee, and who shall hold office during the pleasure of the ~~council~~ Council.

(2)(A) ~~He or she~~ The Executive Director shall perform such duties as may be assigned by the ~~council~~ Council. ~~The executive-director is entitled to compensation, as established by law, and reimbursement for the expenses within the amounts available by appropriation.~~

(B) The ~~executive-director~~ Executive Director may appoint officers, employees, agents, and consultants as he or she may deem necessary; and prescribe their duties, with the approval of the ~~council~~ Council.

(3) The Executive Director is entitled to compensation as established by law and reimbursement for expenses within the amounts available by appropriation.

(d) The ~~council~~ Council may, in addition:

(1) ~~Accept~~ accept and administer under this chapter and for its purposes contributions, capital grants, gifts, services, and other financial assistance from any individual, association, corporation, or other organization having an interest in criminal justice training, and from this ~~state~~ State and the United States and any of their agencies and instrumentalities, corporate or otherwise; and

(2) ~~Perform~~ perform such other acts as may be necessary or appropriate to carry out the purposes of this chapter.

(e) Any agency or department of ~~state government, municipality or~~ State, county, or municipal government may, notwithstanding any provision of this chapter, engage in and pay for, from sums appropriated for that purpose, training activities for employees in addition to any minimum training required by the ~~council~~ Council.

(f) The ~~council~~ Council shall charge participants or employers of participants in law enforcement training programs as follows:

(1) The tuition ~~fee~~ fees for any of the basic training or annual in-service training required under section 2358 of this title chapter shall be \$6,417.00 set forth in rules adopted by the Council. The tuition fees shall be set to reflect the actual costs for operation of the particular programs offered. This fee The fees

for basic training shall not be charged for persons employed by police agencies at the time of training.

(2) The tuition fees for training not required under section 2358 of this ~~title chapter~~ shall be set to reflect the actual costs for operation of the particular programs offered, with an additional \$30.00 entrance exam fee.

(g) The ~~criminal justice training council~~ Council shall develop and maintain a comprehensive drug training program ~~by July 1, 1988~~.

Sec. 4. 20 V.S.A. § 2357 is amended to read:

§ 2357. POWERS AND DUTIES OF THE EXECUTIVE DIRECTOR

The ~~executive director~~ Executive Director of the ~~council~~ Council, on behalf of the ~~council~~ Council, shall have the following powers and duties, subject to the supervision of the ~~council~~ Council and to be exercised only in accordance with rules adopted under this chapter:

(1) ~~To~~ to approve, on applications made in advance, criminal justice personnel training programs and their lesson plans and instructors, to issue certificates of approval to those programs, and to revoke those approvals or certificates;

(2) ~~To~~ to certify, as qualified, instructors at approved criminal justice personnel training schools and to issue appropriate certificates to those instructors;

(3) ~~To~~ to certify criminal justice personnel who have satisfactorily completed approved training programs and to issue appropriate certificates to them;

(4) ~~To~~ to cause studies and surveys to be made relating to the establishment, operation, and approval of criminal justice training schools;

(5) ~~To~~ to consult and cooperate with law enforcement officer criminal justice training schools:

(A) to recommend a course of study in crime prevention for law enforcement students; and

(B) for the development of advanced in-service training programs for law enforcement officers, which shall include a course of study on crime prevention;

(6) ~~To~~ to consult and cooperate with universities, colleges, and institutes for the development of specialized courses of study including a course of study on crime prevention, where appropriate;

(7) ~~To~~ to consult and cooperate with other departments and agencies of the state State and federal government concerned with criminal justice personnel training;

(8) ~~To provide courses for persons who wish to make application for licensing as a private detective as provided in 32 V.S.A. § 9506, and to charge the applicant a reasonable fee, based on the cost of providing courses; [Repealed.]~~

(9) ~~To~~ to perform such other acts as may be necessary or appropriate to carry out his or her powers and duties as set forth in this chapter;

(10) ~~To~~ to report to the ~~council~~ Council at each regular meeting of the ~~council~~ Council and at such other times as may be required; and

(11) ~~Approve~~ to approve and accept pre-service and military students for any of the basic officer's training course courses set forth in section 2358 of this chapter.

Sec. 5. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

(a) Unless waived by the Council under standards adopted by rule, and notwithstanding any statute or charter to the contrary, no person shall exercise law enforcement authority: as a law enforcement officer without completing a basic training course and annual in-service training within a time and manner prescribed by the Council by rule.

~~(1) as a part time law enforcement officer without completing a basic training course within a time prescribed by rule of the Council; or~~

~~(2) as a full time law enforcement officer without either:~~

~~(A) completing a basic training course in the time and manner prescribed by the Council; or~~

~~(B) having received, before July 1, 1968, permanent full time appointment as a law enforcement officer, and completing a basic training course before July 1, 1982.~~

~~(3) as a full or part time law enforcement officer without completing annual in-service training requirements as prescribed by the Council.~~

(b) The Council shall offer or approve basic training and annual in-service training for each of the following three levels of law enforcement officer certification in accordance with the scope of practice for each level, and shall determine by rule the scope of practice for each level in accordance with the provisions of this section:

(1) Level I certification.

(A) An applicant for certification as a Level I law enforcement officer shall first complete an off-site training program prior to entering and completing Level I basic training. Level I basic training shall include training to react to the circumstances described in subdivision (B) of this subdivision (1).

(B)(i) The scope of practice of a Level I law enforcement officer shall be limited to security, transport, vehicle escorts, and traffic control, as those terms are defined by the Council by rule, except that a Level I officer may react in the following circumstances if the officer determines that it is necessary to do any of the following:

(I) protect an individual in the presence of the officer from the imminent infliction of serious bodily injury;

(II) provide immediate assistance to an individual who has suffered or is threatened with serious bodily injury;

(III) detain an individual whom the officer reasonably believes has committed a crime in the presence of the officer; or

(IV) detain an individual whom the officer reasonably believes has committed a felony under Vermont law.

(ii) If a Level I officer reacts to any of the circumstances described in subdivision (i) of this subdivision (B), he or she shall call upon an officer certified to respond and assume law enforcement authority over the incident.

(2) Level II certification.

(A) An applicant for certification as a Level II law enforcement officer shall first complete Level II basic training and may then become certified in a specialized practice area as set forth in subdivision (B)(ii) of this subdivision (2). Level II basic training shall include training to respond to calls regarding alleged crimes in progress and to react to the circumstances described in subdivision (B)(iii) of this subdivision (2).

(B)(i) Except as provided in subdivisions (ii) and (iii) of this subdivision (B), the scope of practice of a Level II law enforcement officer shall be limited to investigating the following matters:

(I) 13 V.S.A. chapter 7 (advertisements);

(II) 13 V.S.A. chapter 8 (humane and proper treatment of animals);

(III) 13 V.S.A. chapter 19, subchapter 1 (riots);

(IV) 13 V.S.A. §§ 1022 (noise in the nighttime), 1023 (simple assault), 1026 (disorderly conduct), and 1031 (interference with access to emergency services);

(V) 13 V.S.A. chapter 35 (escape);

(VI) 13 V.S.A. chapter 41 (false alarms and reports);

(VII) 13 V.S.A. chapter 45 (flags and ensigns);

(VIII) 13 V.S.A. chapter 47 (frauds);

(IX) 13 V.S.A. chapter 49 (fraud in commercial transactions);

(X) 13 V.S.A. chapter 51 (gambling and lotteries);

(XI) 13 V.S.A. chapter 57 (larceny and embezzlement), except for subchapter 2 (embezzlement);

(XII) 13 V.S.A. chapter 67 (public justice and public officers);

(XIII) 13 V.S.A. chapter 69 (railroads);

(XIV) 13 V.S.A. chapter 77 (trees and plants);

(XV) 13 V.S.A. chapter 81 (trespass and malicious injuries to property);

(XVI) 13 V.S.A. chapter 83 (vagrants);

(XVII) 13 V.S.A. chapter 85 (weapons);

(XVIII) any matter within the jurisdiction of the Judicial Bureau as set forth in 4 V.S.A. § 1102;

(XIX) municipal ordinance violations;

(XX) any matter within the jurisdiction of a game warden or deputy game warden as set forth in 10 V.S.A. chapter 103, subchapter 4 (game wardens); and

(XXI) any matter within the scope of practice of a Level I law enforcement officer.

(ii) In addition to the scope of practice permitted under subdivision (i) of this subdivision (B), a Level II law enforcement officer may also practice in additional areas approved in writing by the Council based on a special certification or training approved by the Council pursuant to rules adopted by the Council.

(iii) Notwithstanding the limitations set forth in subdivisions (i) and (ii) of this subdivision (B), a Level II officer may respond to calls regarding alleged crimes in progress and may react in the following

circumstances if the officer determines that it is necessary to do any of the following:

(I) protect an individual in the presence of the officer from the imminent infliction of serious bodily injury;

(II) provide immediate assistance to an individual who has suffered or is threatened with serious bodily injury;

(III) detain an individual whom the officer reasonably believes has committed a crime in the presence of the officer; or

(IV) detain an individual whom the officer reasonably believes has committed a felony under Vermont law.

(iv) If a Level II officer responds to calls regarding alleged crimes in progress or reacts to any of the circumstances described in subdivision (iii) of this subdivision (B) and that response or reaction is outside the scope of his or her scope of practice, he or she shall call upon an officer certified to respond and assume law enforcement authority over the incident.

(3) Level III certification.

(A) An applicant for certification as a Level III law enforcement officer shall complete Level III basic training.

(B) The scope of practice of a Level III law enforcement officer shall include all law enforcement authority.

(c) All programs required by this section shall be approved by the Council. Completion of a program shall be established by a certificate to that effect signed by the Executive Director of the Council.

(e)(d) As used in this section:

(1) "Law enforcement officer" means a member of the Department of Public Safety who exercises law enforcement powers, a member of the State police, a capitol police officer, a municipal police officer, a constable who exercises law enforcement powers, a motor vehicle inspector, an employee of the Department of Liquor Control who exercises law enforcement powers, an investigator employed by the Secretary of State, Board of Medical Practice investigators employed by the Department of Health, Attorney General, or a ~~state's attorney~~ State's Attorney, a fish and game warden, a sheriff, or deputy sheriff who exercises law enforcement powers, ~~or~~ a railroad police officer commissioned pursuant to 5 V.S.A. chapter 68, subchapter 8, or a police officer appointed to the University of Vermont's Department of Police Services.

~~(2) "Full-time law enforcement officer" means a law enforcement officer with duties of a predictable and continuing nature which require more than 32 hours per week and more than 25 weeks per year. "Off-site training" means training provided off the premises of a law enforcement officer training school and approved by the Council under the provisions of section 2355 of this chapter.~~

~~(3) "Part-time law enforcement officer" means a law enforcement officer who is not employed full-time. [Repealed.]~~

~~(d) The council may determine whether a particular position is full-time or part-time.~~

(e) The criteria for all minimum training standards under this section shall include anti-bias training approved by the Vermont Criminal Justice Training Council.

Sec. 6. 20 V.S.A. § 2361 is amended to read:

§ 2361. ADDITIONAL TRAINING

~~(a) Nothing in this chapter prohibits any commissioner, department or State agency head, department, or office or any municipality or county of the State from providing additional training beyond basic training to its personnel in their agencies or departments where no certification is requested from the director of or required by the council Council or its Executive Director.~~

~~(b) The commissioner of public safety head of a State agency, department, or office, a municipality's chief of police, or a sheriff may seek certification from the criminal justice training council of Council for any additional in-service training he or she may provide to his or her employees.~~

Sec. 7. TRANSITIONAL PROVISIONS; OFFICER CERTIFICATION AND RULEMAKING AUTHORITY

(a) On the effective date of Sec. 5 of this act, 20 V.S.A. § 2358 (minimum training standards; definitions), any law enforcement officer certified by the Vermont Criminal Justice Training Council immediately prior to the effective date of Sec. 5 as:

(1) a part-time law enforcement officer shall be considered to be a Level II law enforcement officer, unless that officer submits in writing to the Council that he or she would like to be considered a Level I officer.

(2) a full-time law enforcement officer shall be considered to be a Level III law enforcement officer, unless that officer submits in writing to the Council that he or she would like to be considered a Level I or Level II officer.

(b) Any special certification that a part- or full-time law enforcement officer described in subsection (a) of this section held as part of his or her

part- or full-time certification shall transfer to his or her new level of certification described in subsection (a).

(c) The Vermont Criminal Justice Training Council shall adopt rules in order to implement the provisions of Secs. 3, 20 V.S.A. § 2355 (powers and duties), and 5, 20 V.S.A. § 2358 (minimum training standards; definitions), of this act prior to the effective date of Secs. 3 and 5.

Sec. 8. VERMONT CRIMINAL JUSTICE TRAINING COUNCIL;
RECOMMENDED TRANSITION BETWEEN DIFFERENT LEVELS OF
LAW ENFORCEMENT OFFICER CERTIFICATION

On or before January 15, 2015, the Vermont Criminal Justice Training Council shall submit to the House and Senate Committees on Government Operations:

(1) the Council's recommendation regarding the manner in which a law enforcement officer should be able to transition to a different level of law enforcement officer certification, once the officer has obtained one of the levels of certification described in Sec. 5 of this act, 20 V.S.A. § 2358 (minimum training standards; definitions); and

(2) after consulting with the Vermont Police Association, Inc., the Chiefs of Police Association of Vermont, the Vermont Constables Association, the Vermont Sheriffs' Association, Inc., and a representative from the Department of Public Safety, any Council recommendation regarding whether there should be any changes to the scope of practice for any of the levels of law enforcement officer certification described in Sec. 5 of this act, 20 V.S.A. § 2358.

* * * Law Enforcement Advisory Board * * *

Sec. 9. 24 V.S.A. § 1939 is amended to read:

§ 1939. LAW ENFORCEMENT ADVISORY BOARD

(a) A Law Enforcement Advisory Board is created within the Department of Public Safety to advise the Commissioner of Public Safety, the Governor, and the General Assembly on issues involving the cooperation and coordination of all agencies which exercise law enforcement responsibilities. The Board shall review any matter which affects more than one law enforcement agency. ~~The board~~ Board shall comprise the following members:

* * *

(3) the Director of the Vermont Criminal Justice ~~Support~~ Services Division;

* * *

(12) the Defender General or ~~his or her~~ designee; ~~and~~

(13) one employee-representative of the Vermont State Police, appointed by the Director of the Vermont State Employees' Association; and

(14) a member of the Vermont Constables Association appointed by the President of the Association.

* * *

* * * Capitol Police * * *

Sec. 10. 2 V.S.A. § 70 is amended to read:

§ 70. CAPITOL POLICE DEPARTMENT

* * *

(b) Powers; training.

(1) Capitol police officers shall have all the same powers and authority as sheriffs and other law enforcement officers anywhere in the State, which shall include the authority to arrest persons and enforce the civil and criminal laws, keep the peace, provide security, and to serve civil and criminal process. For this purpose, capitol police officers shall subscribe to the same oaths required for sheriffs.

(2) Notwithstanding any other provision of law to the contrary, a capitol police officer shall be a Level II or Level III law enforcement officer certified by the Vermont ~~criminal justice training council~~ Criminal Justice Training Council pursuant to the provisions of 20 V.S.A. chapter 151.

* * *

* * * Investigators Employed by the Secretary of State * * *

Sec. 11. 3 V.S.A. § 123(f) is amended to read:

(f) Classified State employees who are employed as investigators by the Secretary of State who have successfully met the standards of training for a ~~full-time~~ Level III law enforcement officer under 20 V.S.A. chapter 151 shall have the same powers as sheriffs in criminal matters and the enforcement of the law and in serving criminal process, and shall have all the immunities and matters of defense now available or hereafter made available to sheriffs in a suit brought against them in consequence for acts done in the course of their employment.

* * * Vermont Employees Retirement System * * *

Sec. 12. 3 V.S.A. § 455 is amended to read:

§ 455. DEFINITIONS

(a) Unless a different meaning is plainly required by the context, the following words and phrases as used in this subchapter shall have the following meanings:

* * *

(9) "Employee" shall mean:

* * *

(B) any regular officer or employee of the Department of Public Safety assigned to police and law enforcement duties, including the Commissioner of Public Safety appointed before July 1, 2001; but, irrespective of the member's classification, shall not include any member of the General Assembly as such, any person who is covered by the Vermont Teachers' Retirement System, any person engaged under retainer or special agreement or C beneficiary employed by the Department of Public Safety for not more than 208 hours per year, or any person whose principal source of income is other than State employment. In all cases of doubt, the Retirement Board shall determine whether any person is an employee as defined in this subchapter. Also included under this subdivision are employees of the Department of Liquor Control who exercise law enforcement powers, employees of the Department of Fish and Wildlife assigned to law enforcement duties, motor vehicle inspectors, full-time deputy sheriffs ~~employed~~ compensated by the State of Vermont whose primary function is transports, full-time members of the capitol police force, investigators employed by the Criminal Division of the Office of the Attorney General, Department of State's Attorneys, Department of Health, or Office of the Secretary of State, who have attained ~~full-time~~ Level III law enforcement officer certification from the Vermont Criminal Justice Training Council, who are required to perform law enforcement duties as the primary function of their employment, and who may be subject to mandatory retirement permissible under 29 U.S.C. ~~section~~ § 623(j), who are first included in membership of the system on or after July 1, 2000. Also included under this subdivision are full-time firefighters employed by the State of Vermont.

* * * Labor Relations * * *

Sec. 13. 3 V.S.A. § 972 is amended to read:

§ 972. DEFINITIONS

As used in this subchapter:

* * *

(3) "Public body" means:

* * *

(E) a law enforcement officer as defined in 20 V.S.A. § 2358(e)(d)(1);

* * *

* * * Railroad Police * * *

Sec. 14. 5 V.S.A. chapter 68, subchapter 8 is amended to read:

Subchapter 8. Railroad Police

§ 3755. COMMISSIONS

Upon petition of a person or corporation owning or operating a railroad, the ~~commissioner of public safety~~ Commissioner of Public Safety may, subject to the provisions of section 3757 of this subchapter, commission any employees of the railroad as the person or corporation designates to act as police officers in and upon the premises and equipment owned, managed, or used by a railroad, shall issue commissions to the employees ~~to act as police~~ so commissioned, and shall have the authority to rescind such commissions.

* * *

§ 3757. QUALIFICATIONS

Persons commissioned pursuant to section 3755 of this ~~title~~ subchapter shall be subject to minimum training standards established by rule of the Vermont ~~criminal justice training council~~ Criminal Justice Training Council pursuant to 20 V.S.A. chapter 151; ~~provided that persons employed as full-time railroad police before January 1, 1981, shall have until July 1, 1984, to meet the minimum training standards or equivalent standards as determined by the council, and may continue to function under laws in effect prior to passage of this subchapter until July 1984, or until receiving a commission under this subchapter, whichever occurs sooner.~~

* * *

§ 3763. TERMINATION OF AUTHORITY

Upon termination of employment as a railroad police officer of any person commissioned pursuant to this subchapter, the person's commission shall be automatically rescinded and his or her powers as a police officer shall terminate. Within 10 days after the termination, the employing railroad shall file a notice of the termination with the ~~commissioner of public safety~~ Commissioner of Public Safety and the Vermont Criminal Justice Training Council. The ~~state~~ State of Vermont shall not be responsible for the supervision, discipline, or decision to terminate the employment of persons commissioned as railroad police officers under this subchapter.

* * *

* * * Liquor Control * * *

Sec. 15. 7 V.S.A. § 561 is amended to read:

§ 561. AUTHORITY OF LIQUOR CONTROL INVESTIGATORS;
ARREST FOR UNLAWFULLY MANUFACTURING, POSSESSING, OR
TRANSPORTING ALCOHOLIC BEVERAGES; SEIZURE OF PROPERTY

(a) The Director of the Enforcement Division of the Department of Liquor Control and investigators employed by the Liquor Control Board or by the Department of Liquor Control shall be certified as ~~full-time~~ Level III law enforcement officers by the Vermont Criminal Justice Training Council and shall have the same powers and immunities as those conferred on the State Police by 20 V.S.A. § 1914.

* * *

* * * Game Wardens * * *

Sec. 16. 10 V.S.A. § 4198 is amended to read:

§ 4198. POLICE POWERS; TRAINING; STATE GAME WARDENS;
DEPUTY GAME WARDENS

Upon ~~certification by the executive director of the criminal justice training council of the successful completion of the training program for~~ obtaining from the Vermont Criminal Justice Training Council Level II or Level III law enforcement ~~officers~~ officer certification as established in 20 V.S.A. § 2358, ~~state~~ State game wardens and deputy game wardens shall have the same law enforcement authority, duties, and powers as ~~state police~~ State Police, sheriffs, constables, and municipal police, and shall have all immunities and defenses now or hereafter available to ~~state police~~ State Police, sheriffs, constables, and municipal police in a suit brought against them in consequence of acts done in the course of their employment. State game wardens and deputy game

wardens shall receive their regular compensation during the time they are enrolled in the training program.

* * * Crimes and Criminal Procedure * * *

Sec. 17. 13 V.S.A. § 4010 is amended to read:

§ 4010. GUN SILENCERS

A person who manufactures, sells, uses, or possesses with intent to sell or use an appliance known as or used for a gun silencer shall be fined \$25.00 for each offense. The provisions of this section shall not prevent the use or possession of gun silencers by:

(1) a Level III certified, full-time law enforcement officer or ~~department of fish and wildlife~~ Department of Fish and Wildlife employee in connection with his or her duties and responsibilities and in accordance with the policies and procedures of that officer's or employee's agency or department; or

(2) the Vermont National Guard in connection with its duties and responsibilities.

* * * Investigators Appointed by a State's Attorney * * *

Sec. 18. 24 V.S.A. § 364 is amended to read:

§ 364. INVESTIGATOR

(a)(1) A ~~state's attorney~~ State's Attorney may appoint an investigator and, with the approval of the Governor, shall fix the investigator's pay not to exceed that of a noncommissioned officer of the Department of Public Safety, and may remove the investigator at will.

(2) An investigator shall be reimbursed for necessary expenses incurred in connection with his or her official duties when approved by the ~~state's attorney~~ State's Attorney and the Commissioner of Human Resources.

(3) Investigators shall take part in the investigation of crime, the detection of persons suspected of committing crimes, the preparation of any criminal cause for trial, and other tasks related to the ~~state's attorney's office~~ Office of the State's Attorney.

(4) No person may be appointed as an investigator unless he or she has had appropriate experience in investigative work for a period of not less than two years, including employment as a private detective or a law enforcement officer, or has successfully completed a course of training under 20 V.S.A. chapter 151.

(b) A person appointed as an investigator who has ~~successfully completed a course of training under 20 V.S.A. chapter 151~~ obtained certification as a Level II or Level III law enforcement officer under the provisions of 20 V.S.A. § 2358 shall have the same powers as sheriffs in criminal matters and the enforcement of the law and in serving criminal process, and shall have all the immunities and matters of defense now available or hereafter made available to sheriffs in a suit brought against them in consequence for acts done in the course of their employment.

* * * Constables * * *

Sec. 19. 24 V.S.A. § 1936a is amended to read:

§ 1936a. CONSTABLES; POWERS AND QUALIFICATIONS

* * *

(d) A municipal legislative body may vote to allow a constable elected or appointed in another municipality to exercise law enforcement authority in its municipality, provided that:

(1) the constable is not prohibited from exercising law enforcement authority under subsection (a) of this section;

(2) the constable ~~has completed the training requirements for a full time or part time law enforcement officer~~ is certified to exercise that level of authority under 20 V.S.A. § 2358; and

(3) the exercise of law enforcement authority is conducted in accordance with policies and procedures adopted by the legislative body establishing the circumstances under which the authority may be exercised.

* * * Investigators Employed by the Board of Medical Practice * * *

Sec. 20. 26 V.S.A. § 1351 is amended to read:

§ 1351. BOARD OF MEDICAL PRACTICE

* * *

(f) Classified ~~state~~ State employees who are employed as investigators by the ~~department of health~~ Department of Health who ~~have successfully met the standards of training for a full time~~ are certified as a Level III law enforcement officer under ~~20 V.S.A. chapter 151~~ 20 V.S.A. § 2358 shall have the same powers as sheriffs in criminal matters and the enforcement of the law and in serving criminal process, and shall have all the immunities and matters of defense now available or hereafter made available to sheriffs in a suit brought against them in consequence for acts done in the course of their employment.

* * * Correctional Officers * * *

Sec. 21. 28 V.S.A. § 551a is amended to read:

§ 551a. LAW ENFORCEMENT POWERS OF CORRECTIONAL OFFICERS; TRAINING REQUIREMENTS

(a) The ~~commissioner of corrections~~ Commissioner of Corrections shall establish training requirements necessary for a correctional officer to be authorized to exercise the power to arrest a person on probation under section 301 of this title, to arrest a person serving supervised community sentence under section 363 of this title, or to arrest a person on parole under section 551 of this title. The required training shall include ~~but not be limited to~~ training in search and seizure, criminal law, authority to arrest, use of force, reporting and record keeping, and liability for actions and conduct.

(b) The ~~commissioner~~ Commissioner may also authorize and designate any correctional officer as defined in subdivision 3(10) of this title to become certified by the ~~criminal justice training council~~ Vermont Criminal Justice Training Council as a ~~part-time~~ law enforcement officer, pursuant to the provisions of ~~chapter 151 of Title 20 V.S.A. chapter 151~~. The ~~commissioner~~ Commissioner and the ~~director of the training academy~~ Executive Director of the Vermont Criminal Justice Training Council shall develop curriculum subject to the approval of the ~~training council~~ Council. The ~~commissioner~~ Commissioner by ~~department~~ Department policy may prescribe the use of those law enforcement powers consistent with the official duties and job descriptions of the correctional officer, and may direct that the correctional officer not carry any weapon while on duty. Any person hereby certified shall be sworn by the ~~commissioner~~ Commissioner.

* * * Sheriffs * * *

Sec. 22. 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The annual salaries of the sheriffs of all counties except Chittenden shall be \$67,688.00 as of July 1, 2012 and \$70,192.00 as of July 14, 2013. The annual salary of the sheriff of Chittenden County shall be \$71,631.00 as of July 1, 2012 and \$74,281.00 as of July 14, 2013.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not ~~completed the full-time training requirements~~ obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * * Effective Dates * * *

Sec. 23. EFFECTIVE DATES

This act shall take effect on July 1, 2015 except:

(1) this section and Secs. 7 (transitional provisions; officer certification and rulemaking authority) and 8 (Vermont Criminal Justice Training Council; recommended transition between different levels of law enforcement officer certification) shall take effect on passage; and

(2) Sec. 2, 20 V.S.A. § 2352 (creation of Council), and Sec. 9, 24 V.S.A. § 1939 (Law Enforcement Advisory Board), shall take effect on July 1, 2014.

And that after passage the title of the bill be amended to read: “An act relating to establishing new levels of law enforcement officer certification”.

*ELDRED FRENCH
NORMAN H. MCALLISTER
JEANETTE K. WHITE*

Committee on the part of the Senate

*RONALD E. HUBERT
DONNA G. SWEANEY
MARK A. HIGLEY*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Recess

On motion of Senator Baruth the Senate recessed until 4:30 P.M.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Third Readings Ordered

H. 870.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to the merger of the Town of Pittsford and the Pittsford Fire District No. 1.

Was taken up for immediate consideration.

Senator French, for the Committee on Government Operations, to which the bill was referred, reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

H. 892.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to approval of the adoption and the codification of the charter of the Central Vermont Public Safety Authority.

Was taken up for immediate consideration.

Senator Pollina, for the Committee on Government Operations, to which the bill was referred, reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

H. 893.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to approval of the adoption and the codification of the charter of the North Branch Fire District No. 1.

Was taken up for immediate consideration.

Senator White, for the Committee on Government Operations, to which the bill was referred, reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

H. 894.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to approval of amendments to the charter of the City of Montpelier and to merging the Montpelier Fire District No. 1 into the City of Montpelier.

Was taken up for immediate consideration.

Senator Pollina, for the Committee on Government Operations, to which the bill was referred, reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 28, S. 221, H. 497, H. 699, H. 765.

**Rules Suspended; House Proposal of Amendment Not Concurred In;
Committee of Conference Requested; Committee of Conference
Appointed; Bill Messaged**

S. 220.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment to Senate bill entitled:

An act relating to furthering economic development.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment to the House proposal of amendment with further amendment thereto as follows:

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

* * * One-Stop Business Support Services * * *

Sec. 1. ONE-STOP SHOP WEB PORTAL

(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:

(1) a clear guide to resources and technical assistance for all phases of business development;

(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;

(3) a directory of workforce development assistance, including recruiting, job postings, and training;

(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and

(5) agency contacts and links for available services and resources.

(b) Administration. On or before June 30, 2015, the Secretary of State, Department of Taxes, Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of

Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a “One-Stop Shop” website, consistent with the following timeline:

(1) Phase 1. Complete necessary partner outreach and collaboration and an inventory of existing websites, determine the appropriate content to be included on the One-Stop website, and update current websites to include links to State agencies and departments with regulatory oversight and authority over Vermont businesses.

(2) Phase 2. Edit and organize the content to be included on the One-Stop website.

(3) Phase 3. Complete the design and mapping of the One-Stop website.

(4) Phase 4. Complete a communications and outreach plan with a final funding proposal for the project.

* * * Vermont Enterprise Fund * * *

Sec. 2. VERMONT ENTERPRISE FUND

(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) The Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor or designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be forgone;

(D) other State incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(4) The Emergency Board shall have the authority to approve, disapprove, or modify an offer of economic and financial resources in its discretion, including consideration of the following:

(A) whether the business has presented sufficient documentation to demonstrate compliance with subsection (d) of this section;

(B) whether the Governor has presented sufficient information to the Board under subdivision (3) of this subsection (e);

(C) whether the business has received other State resources and incentives, and if so, the type and amount; and

(D) whether the business and the Governor have made available to the Board sufficient information and documentation for the Auditor of Accounts to perform an adequate performance audit of the program, including the extent to which necessary information or documentation is or will be withheld under a claim that it is confidential, proprietary, or subject to executive privilege.

(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the Auditor of Accounts in connection with the performance of duties under 32 V.S.A. § 163 of this title; provided, however, that the Joint Fiscal Office or its agent and the Auditor of Accounts shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made available pursuant to this section, including:

(1) the name of the recipient;

(2) the amount and type of the resources;

(3) the aggregate number of jobs created or retained as a result of the resources;

(4) a statement of costs and benefits to the State; and

(5) whether any offer of resources was disallowed or recaptured.

(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.

Sec. 3. CONTINGENT FISCAL YEAR 2014 APPROPRIATION

After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met and prior to any funds reserved pursuant to 32 V.S.A. § 308c, any remaining unreserved and undesignated end of fiscal year General Fund surplus up to \$5,000,000.00 shall be appropriated to the extent available, in the following order:

(1) \$500,000.00 to the Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb;

(2) \$4,500,000.00 to the Vermont Enterprise Fund for the purposes specified in Sec. E.100.5 of this act.

* * * Vermont Economic Development Authority * * *

Sec. 4. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending Program

§ 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based businesses in seed, start-up, and growth-stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology based companies~~ Vermont-based businesses in seed, start-up, and growth stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently ~~do~~ may not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of ~~technology based companies~~ Vermont-based businesses in seed, start-up, and growth stages and the resultant creation of high wage higher wage employment in Vermont, ~~a technology loan program is established under this subchapter~~ the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program.

§ 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created ~~a technology (TECH) loan program~~ the Vermont Entrepreneurial Lending Program to be administered by the Vermont ~~economic development authority~~ Economic Development Authority. The ~~program~~ Program shall seek to meet the working capital and capital-asset financing needs of ~~technology-based companies~~ start-up, early stage, and growth-stage businesses in Vermont. The Program shall specifically seek to fulfill capital requirement needs that are unmet in Vermont, including:

(1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;

(2) loans up to \$1,000,000.00 in growth-stage companies who do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The economic development authority Authority shall establish such adopt regulations, policies, and procedures for the program Program as are necessary to carry out the purposes of this subchapter. The authority's lending criteria shall include consideration of in state competition and whether a company has made reasonable efforts to secure capital in the private sector increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.

(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.

* * *

Sec. 5. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION

(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with the following funding from the following sources:

(1) up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority; and

(2) Fiscal Year 2014 funds appropriated to the Program pursuant to Sec. 1b of this act.

(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.

Sec. 6. 10 V.S.A. chapter 16A is amended to read:

CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

* * *

(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural products which have been primarily produced in this ~~state~~ State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) “Agricultural products” mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction, purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(5) “Authority” means the Vermont ~~economic development authority~~ Economic Development Authority.

(6) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(7) "Farmer" means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer's income;

(B) the majority of the farmer's assets; and

(C) an occupation in which the farmer is actively engaged ~~in~~, either on a seasonal or year-round basis.

(8) "Farm operation" shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.

* * *

* * * Connecting Capital Providers and Entrepreneurs * * *

Sec. 7. NETWORKING INITIATIVES

(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.

(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs:

(1) a status report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, and the benchmarks and measures of performance; and

(2) a report on or before December 15, 2015 concerning the outcomes of and further recommendations for the program.

Sec. 8. 32 V.S.A. § 5930aa(3) is amended to read:

(3) "Qualified code or technology improvement project" means a project:

(A)(i) ~~To~~ to install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital

improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the ~~department of public safety~~. Department of Public Safety; or

(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;

(B) ~~To~~ to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building-; or

(C) ~~To~~ to redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

Sec. 9. 32 V.S.A. § 5930aa(7) is amended to read:

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project as defined by this subchapter.

Sec. 10. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for ~~qualified code improvement, façade improvement, or historic rehabilitation projects~~ a qualified project at any time before one year after completion of the qualified project.

* * *

Sec. 11. 32 V.S.A. § 5930cc(c) is amended to read:

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer’s State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of

\$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

Sec. 12. 30 V.S.A. § 218e is added to read:

§ 218e. IMPLEMENTING STATE ENERGY POLICY;
MANUFACTURING

To give effect to the policies of section 202a of this title to provide reliable and affordable energy and assure the State's economic vitality, it is critical to retain and recruit manufacturing and other businesses and to consider the impact on manufacturing and other businesses when issuing orders, adopting rules, and making other decisions affecting the cost and reliability of electricity and other fuels. Implementation of the State's energy policy should:

(1) encourage recruitment and retention of employers providing high-quality jobs and related economic investment and support the State's economic welfare; and

(2) appropriately balance the objectives of this section with the other policy goals and criteria established in this title.

Sec. 13. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING

(a) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, a private organization that represents the interests of manufacturers, a cooperative electric company, an efficiency utility, a shareholder-owned utility, the Vermont Public Power Supply Authority (VPPSA), a municipal utility that is not a member of VPPSA, and the Vermont Electric Power Company (VELCO), shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont's industrial or manufacturing businesses with regard to electricity costs.

(b) In conducting the investigation required by this section, the Commissioner and Secretary shall consider:

(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;

(2) with regard to the energy efficiency programs established under section 209 of this title, potential changes to their delivery, funding, financing, and participation requirements;

(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;

(4) the history and outcome of any evaluations of retail choice programs or policies, as related to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;

(5) any other programs or policies the Commissioner and the Secretary deem relevant;

(6) whether and to what extent any programs or policies considered by the Commissioner and the Secretary under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good;

(7) whether and to what extent costs have shifted to residential and business ratepayers following the loss of large utility users, and potential scenarios for additional cost shifts of this type; and

(8) the potential benefits and potential cost shift to residential and business ratepayers if a large utility user undertakes efficiency measures and thereby reduces its share of fixed utility costs.

(c) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:

(1) consumer and business advocacy groups;

(2) regional development corporations and regional planning commissions; and

(3) any other person or entity as determined by the Commissioner and Secretary.

(d) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.

* * * Domestic Export Program * * *

Sec. 14. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS

(a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program, the purpose of which shall be to:

(1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets,

(2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and

(3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers' market presence in other U.S. states, subject to available funding.

(b) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and Forest Products and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.

* * * Criminal Penalties for Computer Crimes * * *

Sec. 15. 13 V.S.A. chapter 87 is amended to read:

CHAPTER 87. COMPUTER CRIMES

* * *

§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE

(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4105. THEFT OR DESTRUCTION

(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4106. CIVIL LIABILITY

A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, costs, and fees, including reasonable attorney's fees, and such other relief as the court deems appropriate.

* * *

* * * Statute of Limitations to Commence Action for Misappropriation of
Trade Secrets * * *

Sec. 16. 12 V.S.A. § 523 is amended to read:

§ 523. TRADE SECRETS

An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 ~~of Title 9~~ shall be commenced within three years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the

date the misappropriation was discovered or reasonably should have been discovered.

* * * Protection of Trade Secrets * * *

Sec. 17. 9 V.S.A. chapter 143 is amended to read:

CHAPTER 143. TRADE SECRETS

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means.

(2) “Misappropriation” means:

(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(B) disclosure or use of a trade secret of another without express or implied consent by a person who:

(i) used improper means to acquire knowledge of the trade secret; or

(ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(I) derived from or through a person who had utilized improper means to acquire it;

(II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or

(iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

§ 4602. INJUNCTIVE RELIEF

(a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may be enjoined of a trade secret.~~ Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.

(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, ~~but are not limited to,~~ a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.

(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

§ 4603. DAMAGES

(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.

(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.

(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator's unauthorized disclosure or use of a trade secret.

(4) A court shall award a substantially prevailing party his or her costs and fees, including reasonable attorney's fees, in an action brought pursuant to this chapter.

(b) If malicious misappropriation exists, the court may award punitive damages.

§ 4605. PRESERVATION OF SECRECY

In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting

protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

§ 4607. EFFECT ON OTHER LAW

(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this ~~state~~ State providing civil remedies for misappropriation of a trade secret.

(b) This chapter does not affect:

(1) contractual remedies, whether or not based upon misappropriation of a trade secret;

(2) other civil remedies that are not based upon misappropriation of a trade secret; or

(3) criminal remedies, whether or not based upon misappropriation of a trade secret.

* * *

* * * Intellectual Property; Businesses and Government Contracting * * *

Sec. 18. 3 V.S.A. § 346 is added to read:

§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use or own the intellectual property created under the contract for the contractor's commercial purposes.

(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees, royalty rights, or other payment mechanism for the contractor's commercial use of intellectual property developed under a State contract.

(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.

* * * Department of Financial Regulation * * *

Sec. 19. SMALL BUSINESS ACCESS TO CAPITAL

(a) Crowdfunding study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont's small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(b) Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for small businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.

(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.

Sec. 20. STUDY; DEPARTMENT OF FINANCIAL REGULATION;
LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS

On or before January 15, 2015, the Department of Financial Regulation shall solicit public comment on, evaluate, and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State's licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.

* * * Licensed Lender Requirements; Exemption for De Minimis
Lending Activity * * *

Sec. 21. 8 V.S.A. § 2201 is amended to read:

2201. LICENSES REQUIRED

(a) No person shall without first obtaining a license under this chapter from the ~~commissioner~~ Commissioner:

(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration ~~therefore~~ therefor;

(2) act as a mortgage broker;

(3) engage in the business of a mortgage loan originator; or

(4) act as a sales finance company.

(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:

(1) an employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this ~~state~~ State;

(2) an individual sole proprietor who is also a licensed lender or licensed mortgage broker; or

(3) an employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this ~~state~~ State pursuant to chapter 85 of this title. ~~For purposes of~~ As used in this subsection, “loan modification” means an adjustment or compromise of an existing residential mortgage loan. The term “loan modification” does not include a refinancing transaction.

(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the ~~commissioner~~ Commissioner in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the ~~commissioner~~ Commissioner of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.

(d) No lender license, mortgage broker license, or sales finance company license shall be required of:

(1) ~~a state~~ State agency, political subdivision, or other public instrumentality of the ~~state~~; State.

(2) ~~a~~ A federal agency or other public instrumentality of the United States;

(3) a A gas or electric utility subject to the jurisdiction of the ~~public service board~~ Public Service Board engaging in energy conservation or safety loans;

(4) a A depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);

(5) a A pawnbroker;

(6) ~~an~~ An insurance company;

(7) a A seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;

(8) ~~any~~ Any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;

(9) ~~lenders~~ Lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of economic development~~ Commissioner of Economic Development under 10 V.S.A. § 690a;

(10) ~~persons~~ Persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;

(11) a A seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;

(12)(A) a A person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;

(B) ~~for purposes of~~ As used in this subdivision (12), “senior indebtedness” means:

(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and

(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;

(13) ~~nonprofit~~ Nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;

(14) ~~any~~ Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;

(15) ~~a~~ A housing finance agency.

(16) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(e) No mortgage loan originator license shall be required of:

(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.

(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual’s residence, including a vacation home, or inherited property that served as the deceased’s dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context.

(4) An individual who is an employee of a federal, ~~state~~ State, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, ~~state~~ State, or local government agency or housing finance agency.

(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:

(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;

(B) such activities are carried out within an attorney-client relationship; and

(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.

(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(f) If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.

(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.

~~(g)~~(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.

* * * Vermont State Treasurer; Credit Facilities; 10 Percent for Vermont * * *

Sec. 22. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

Sec. 8. INVESTMENT OF STATE MONIES

The Treasurer is hereby authorized to establish a ~~short-term~~ credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.

Sec. 23. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer consistent with the provisions of the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.

Sec. 24. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT

(a) Creation of committee. The Treasurer's Local Investment Advisory Committee is established to:

(1) advise the Treasurer on funding priorities for credit facilities authorized by current law; and

(2) address other mechanisms to increase local investment.

(b) Membership.

(1) The Committee shall be composed of the following members:

(A) the State Treasurer or designee, who shall serve as Chair of the Committee;

(B) the Commissioner of Financial Regulation or designee;

(C) the Secretary of Commerce and Community Development or designee;

(D) a senior officer of a Vermont bank, who shall be appointed by the Governor;

(E) a member of the public, who shall be appointed by the Speaker of the House;

(F) a member of the public, who shall be appointed by the President Pro Tempore of the Senate;

(G) the executive director of a Vermont nonprofit organization that, as part of its mission, directly lends or services loans or other similar obligations, who shall be appointed by the Governor;

(H) the manager of the Vermont Economic Development Authority or designee;

(I) the executive director of the Vermont Housing Finance Agency or designee;

(J) the President of the Vermont Student Assistance Corporation or designee; and

(K) the executive director of the Vermont Municipal Bond Bank or designee.

(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.

(c) Powers and duties. The Advisory Committee shall:

(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;

(2) invite regularly State organizations and citizens groups to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and

(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.

(d) Meetings.

(1) Meetings of the Advisory Committee shall occur at the call of the Treasurer.

(2) A majority of the members of the Advisory Committee who are physically present at the same location or available electronically shall constitute a quorum, and a member may participate and vote electronically.

(3) To be effective, action of the Advisory Committee shall be taken by majority vote of the members at a meeting in which a quorum is present.

(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Government Operations and the House Committees on Commerce and Economic Development, on Ways and Means, and on Government Operations. The report shall include the following:

(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;

(2) a description of the Advisory Committee's activities; and

(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.

Sec. 25. SUNSET

Secs. 23–24 of this act shall be repealed on July 1, 2015.

Sec. 26. 9 V.S.A. § 2481w is amended to read:

§ 2481w. UNLICENSED LOAN TRANSACTIONS

(a) In this subchapter:

(1) “Financial account” means a checking, savings, share, stored value, prepaid, payroll card, or other depository account.

(2) “Lender” means a person engaged in the business of making loans of money, credit, goods, or things in action and charging, contracting for, or receiving on any such loan interest, a finance charge, a discount, or consideration.

(3) “Process” or “processing” includes printing a check, draft, or other form of negotiable instrument drawn on or debited against a consumer's financial account, formatting or transferring data for use in connection with the debiting of a consumer's financial account by means of such an instrument or an electronic funds transfer, or arranging for such services to be provided to a lender.

(4) “Processor” means a person who engages in processing, as defined in subdivision (3) of this subsection. In this section, “processor” does not include an interbank clearinghouse.

(5) “Interbank clearinghouse” means a person that operates an exchange of automated clearinghouse items, checks, or check images solely between insured depository institutions.

(b) It is an unfair and deceptive act and practice in commerce for a lender directly or through an agent to solicit or make a loan to a consumer by any means unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(c) It is an unfair and deceptive act and practice in commerce for a processor, other than a federally insured depository institution, to process a check, draft, other form of negotiable instrument, or an electronic funds transfer from a consumer's financial account in connection with a loan solicited or made by any means to a consumer unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(d) It is an unfair and deceptive act and practice in commerce for any person, including the lender's financial institution as defined in 8 V.S.A. § 10202(5), but not including the consumer's financial institution as defined in 8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a) of this section, to provide substantial assistance to a lender or processor when the person or the person's authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the lender or processor is in violation of subsection (b) or (c) of this section, or is engaging in an unfair or deceptive act or practice in commerce.

Sec. 27. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

* * *

(b) Definitions. ~~For the purposes of~~ As used in this section:

* * *

(4) "Telecommunications facility" means a communications facility that transmits and receives signals to and from a local, State, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.

(5) "Wireless service" means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service, personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.

* * *

(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

(A) ~~The~~ the Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and

(B) ~~A~~ a telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.

(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.

(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.

* * *

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.

* * *

(i) Sunset of Board authority. Effective on July 1, 2014 2017, no new applications for certificates of public good under this section may be considered by the Board.

* * *

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

(n) Municipal recommendations. The Board shall consider the comments and recommendations submitted by the municipal legislative body and planning commission. The Board's decision to issue or deny a certificate of

public good shall include a detailed written response to each recommendation of the municipal legislative body and planning commission.

(o) Retention; experts. The Department of Public Service may retain experts and other personnel as identified in section 20 of this title to provide information essential to a full consideration of an application for a certificate of public good under this section. The Department may allocate the expenses incurred in retaining these personnel to the applicant in accordance with section 21 of this title. The Department may commence retention of these personnel once the applicant has filed the 45-day notice under subsection (e) of this section. A municipal legislative body or planning commission may request that the Department retain these personnel. Granting such a request shall not oblige the Department or the personnel it retains to agree with the position of the municipality.

(p) Review process; guide. The Department of Public Service, in consultation with the Board, shall create, maintain, and make available to the public a guide to the process of reviewing telecommunications facilities under this section for use by local governments and regional planning commissions and members of the public who seek to participate in the process. On or before September 1, 2014, the Department shall complete the creation of this guide and make it publically available.

Sec. 28. PUBLIC SERVICE BOARD; ORDER REVISION

The Public Service Board (the Board) shall define the terms “good cause” and “substantial deference” for the purpose of 30 V.S.A. § 248a(c)(2) in accordance with the following process:

(1) Within 30 days of the effective date of this section, the Board shall provide direct notice to each municipal legislative body and planning commission, the Vermont League of Cities and Towns, the Department of Public Service, and such other persons as the Board considers appropriate, that it will be amending its procedures order issued under 30 V.S.A. § 248a(1) to include definitions of these terms. The notice shall provide an opportunity for submission of comments and recommendations and include the date and time of the workshop to be held.

(2) Within 60 days of giving notice under subdivision (1) of this section, the Board shall amend its procedures order to include definitions of these terms.

Sec. 29. REPORT; TELECOMMUNICATIONS FACILITY REVIEW PROCESS

On or before October 1, 2015, the Department of Public Service shall submit to the House Committee on Commerce and Economic Development

and the Senate Committee on Finance a report assessing the telecommunications facility review process under 30 V.S.A. § 248a. The report shall include the number of applications for the construction or installation of telecommunications facilities filed with the Board, the number of applications for which a certificate of public good was granted, the number of applications for which notice was filed but were then withdrawn, and the number of times the Department used its authority under 30 V.S.A. § 248(o) to allocate expenses incurred in retaining expert personnel to the applicant, during the year ending August 31, 2015.

Sec. 30. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:

(1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.

Sec. 31. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2017.

* * *

Sec. 32. REPEAL

2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.

Sec. 33. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided that the following apply:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or,~~

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

* * *

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~ 2017:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

Sec. 34. JFO ACCD DEMOGRAPHIC STUDY

The Agency of Commerce and Community Development, with consultation and review by the legislative economist and the Joint Fiscal Office, shall conduct an economic impact analysis, including study of demographic and infrastructure impacts associated with recently announced development projects in the Northeast Kingdom of Vermont, and shall submit its findings to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Joint Fiscal Committee on or before December 1, 2014.

* * * Tourism Funding; Study * * *

Sec. 35. TOURISM FUNDING; PILOT PROJECT STUDY

On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committees on Appropriations and on Commerce and Economic Development and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.

* * * Land Use; Housing; Industrial Development * * *

Sec. 36. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

§ 212. DEFINITIONS

As used in this chapter:

* * *

(6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the authority that meets the criteria established in the Vermont Sustainable Jobs Strategy adopted by the Governor under section 280b of this title, including land and rights in land, air, or water, buildings, structures, machinery, and equipment of such eligible facilities or eligible projects, except that an eligible facility or

project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of state, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing. Such enterprises or endeavors may include:

* * *

(M) Sustainably Priced Energy Enterprise Development (SPEED) resources, as defined in 30 V.S.A. § 8002; ~~or~~

(N) any combination of the foregoing activities, uses, or purposes. An eligible facility may include structures, appurtenances incidental to the foregoing such as utility lines, storage accommodations, offices, dependent care facilities, or transportation facilities; or

(O) industrial park planning, development, or improvement.

* * *

§ 261. ADDITIONAL POWERS

In addition to powers enumerated elsewhere in this chapter, the authority may:

* * *

(6) provide loans and assistance under this subchapter for the planning, development, or improvement of an industrial park or an eligible project within an industrial park.

Sec. 37. 10 V.S.A. § 6001(35) is added to read:

(35) "Industrial park" means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.

Sec. 38. REVIEW OF MASTER PLAN POLICY

On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy's adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.

* * * Primary Agricultural Soils; Industrial Parks * * *

Sec. 39. 10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park ~~as defined in subdivision 212(7) of this title and~~ permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a ~~district commission for expansion of~~ District Commission to amend a permit for an existing industrial park, compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).

* * * Affordable Housing * * *

Sec. 40. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or ~~trailer~~ mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of

five miles of any point on any involved land, and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) 275 or more, in a municipality with a population of 15,000 or more;

(bb) 150 or more, in a municipality with a population of 10,000 or more but less than 15,000;

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000.

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000;

(ee) 25 or more, in a municipality with a population of less than 3,000; and

(ff) notwithstanding subdivisions (aa) through (ee) of this subdivision (iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.

(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.

* * *

~~(B)(i) Smart Growth Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within a growth center designated pursuant to 24 V.S.A. 2793c or entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, “development” means:~~

~~(I) Construction of mixed income housing with 200 or more housing units or a mixed use project with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units or a mixed use project with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units or a mixed use project with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units or a mixed use project with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units or a mixed use project with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing or a mixed use project with 10 or more housing units where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or, will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.~~

~~(ii) Mixed Income Housing Jurisdictional Thresholds. Notwithstanding the provisions of subdivision (3)(A) of this section, if a project consists exclusively of mixed income housing and is located entirely within a Vermont neighborhood designated pursuant to 24 V.S.A. § 2793d or a neighborhood development area as defined in 24 V.S.A. § 2791(16); “development” means:~~

~~(I) Construction of mixed income housing with 200 or more housing units, in a municipality with a population of 15,000 or more.~~

~~(II) Construction of mixed income housing with 100 or more housing units, in a municipality with a population of 10,000 or more but less than 15,000.~~

~~(III) Construction of mixed income housing with 50 or more housing units, in a municipality with a population of 6,000 or more and less than 10,000.~~

~~(IV) Construction of mixed income housing with 30 or more housing units, in a municipality with a population of 3,000 or more but less than 6,000.~~

~~(V) Construction of mixed income housing with 25 or more housing units, in a municipality with a population of less than 3,000.~~

~~(VI) Historic Buildings. Construction of 10 or more units of mixed income housing where the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However, demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined the proposed demolition will have: no adverse effect; no adverse effect provided that specified conditions are met; or will have an adverse effect, but that adverse effect will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document. [Repealed.]~~

(C) For the purposes of determining jurisdiction under subdivisions subdivision (3)(A) and (3)(B) of this section, the following shall apply:

~~(i) Incentive for Growth Inside Designated Areas. Notwithstanding subdivision (3)(A)(iv) of this section, housing units constructed by a person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall not be counted to determine jurisdiction over housing units constructed by that person entirely within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area. [Repealed.]~~

~~(ii) Five Year, Five Mile Radius Jurisdiction Analysis. Within any continuous period of five years, housing units constructed by a person entirely within a designated downtown district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area shall be counted together with housing units constructed by that person partially or completely outside a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area to determine jurisdiction over the housing units constructed by a person partially or completely outside the designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area and within a~~

~~five-mile radius in accordance with subdivision (3)(A)(iv) of this section. [Repealed.]~~

~~(iii) Discrete Housing Projects in Designated Areas and Exclusive Counting for Housing Units. Notwithstanding subdivisions (3)(A)(iv) and (19) of this section, jurisdiction shall be determined exclusively by counting housing units constructed by a person within a designated downtown development district, designated growth center, designated Vermont neighborhood, or designated neighborhood development area, provided that the housing units are part of a discrete project located on a single tract or multiple contiguous tracts of land. [Repealed.]~~

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;

(B) ~~Affordable Rental Housing. At least 20 percent of the housing units that is are rented by the occupants whose gross annual household income does not exceed 60 percent of the county median income, or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development for use with the Housing Credit Program under Section 42(g) of the Internal Revenue Code, and the total annual cost of the housing, as defined at Section 42(g)(2)(B), is not more than 30 percent of the gross annual household income as defined at Section 42(g)(2)(C), and with constitute affordable housing and have a duration of affordability of no less than 30 20 years.~~

(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.

(29) “Affordable housing” means either of the following:

(A) Housing that is owned by its occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees, is not more than 30 percent of the gross annual household income.

(B) Housing that is rented by the occupants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the United States Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the gross annual household income.

* * *

(36) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.

* * *

* * * Workforce Education and Training * * *

Sec. 41. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

§ 540. WORKFORCE EDUCATION AND TRAINING LEADER

The Commissioner of Labor shall be the leader of workforce education and training in the State, and shall have the authority and responsibility for the coordination of workforce education and training within State government, including the following duties:

(1) perform the following duties in consultation with the State Workforce Investment Board:

(A) advise the Governor on the establishment of an integrated system of workforce education and training for Vermont;

(B) create and maintain an inventory of all existing workforce education and training programs and activities in the State;

(C) use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs;

(D) develop a State plan, as required by federal law, to ensure that workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible;

(E) ensure coordination and non-duplication of workforce education and training activities;

(F) identify best practices and gaps in the delivery of workforce education and training programs;

(G) design and implement criteria and performance measures for workforce education and training activities; and

(H) establish goals for the integrated workforce education and training system.

(2) Require from each business, training provider, or program that receives State funding to conduct workforce education and training a report that evaluates the results of the training. Each recipient shall submit its report on a schedule determined by the Commissioner and shall include at least the following information:

(A) name of the person who receives funding;

(B) amount of funding;

(C) activities and training provided;

(D) number of trainees and their general description;

(E) employment status of trainees; and

(F) future needs for resources.

(3) Review reports submitted by each recipient of workforce education and training funding.

(4) Issue an annual report to the Governor and the General Assembly on or before December 1 that includes a systematic evaluation of the accomplishments of the State workforce investment system and the performance of participating agencies and institutions.

(5) Coordinate public and private workforce programs to assure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact.

(6) Facilitate effective communication between the business community and public and private educational institutions.

§ 541. WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE INVESTMENT BOARD; MEMBERS, TERMS

~~(a) The Workforce education and training Council is created as the successor to and the continuation of the Governor's Human Resources Investment Council and shall be the State Workforce Investment Board under Public Law 105-220, the Workforce Investment Act of 1998, and any reauthorization of that act. The Council shall consist of the members required under the federal act and the following: the President of the University of Vermont or designee; the Chancellor of the Vermont State Colleges or designee; the President of the Vermont Student Assistance corporation or designee; the President of the Association of Vermont Independent Colleges or designee; a representative of the Abenaki Self Help Organization; at least two representatives of labor appointed by the Governor in addition to the two required under the federal act, who shall be chosen from a list of names submitted by Vermont AFL CIO, Vermont NEA, and the Vermont State Employees Association; one representative of the low income community appointed by the Governor; two members of the Senate appointed by the Senate Committee on Committees; and two members of the house appointed by the speaker. In addition, the Governor shall appoint enough other members who are representatives of business or employers so that one half plus one of the members of the council are representatives of business or employers. At least one third of those appointed by the Governor as representatives of business or employers shall be chosen from a list of names submitted by the regional technical centers. As used in this section, "representative of business" means a business owner, a chief executive operating officer, or other business executive, and "employer" means an individual with policy making or hiring authority, including a public school superintendent or school board member and representatives from the nonprofit, social services, and health sectors of the economy. If there is a dispute as to who is to represent an interest as required under the federal law, the Governor shall decide who shall be the member of the Council.~~

~~(b) Appointed members, except legislative appointees, shall be appointed for three year terms and serve at the pleasure of the Governor.~~

~~(c) A vacancy shall be filled for the unexpired term in the same manner as the initial appointment.~~

~~(d) The Governor shall appoint one of the business or employer members to chair the council for a term of two years. A member shall not serve more than three consecutive terms as chair.~~

~~(e) Legislative members shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406, and other members shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010.~~

~~(f) The Department of Labor shall provide the Council with administrative support.~~

~~(g) The Workforce education and training Council shall be subject to 1 V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access to public records.~~

~~(h) [Repealed.]~~

~~(i) The Workforce education and training Council shall:~~

~~(1) Advise the Governor on the establishment of an integrated network of workforce education and training for Vermont.~~

~~(2) Coordinate planning and services for an integrated network of workforce education and training and oversee its implementation at State and regional levels.~~

~~(3) Establish goals for and coordinate the State's workforce education and training policies.~~

~~(4) Speak for the workforce needs of employers.~~

~~(5) Negotiate memoranda of understanding between the Council and agencies and institutions involved in Vermont's integrated network of workforce education and training in order to ensure that each is working to achieve annual objectives developed by the Council.~~

~~(6) Carry out the duties assigned to the State Workforce Investment Board, as required for a single service delivery state, under P.L. 105-220, the Workforce Investment Act of 1998, and any amendments that may be made to it. [Repealed.]~~

§ 541a. STATE WORKFORCE INVESTMENT BOARD

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 2821, the Governor shall establish a State Workforce Investment Board to assist the Governor in the execution of his or her duties under the Workforce Investment Act of 1998 and to assist the Commissioner of Labor as specified in section 540 of this title.

(b) Additional duties; planning; process. In order to inform its decision-making and to provide effective assistance under subsection (a) of this section, the Board shall:

(1) conduct an ongoing public engagement process throughout the State at which Vermonters have the opportunity to provide feedback and information concerning their workforce education and training needs; and

(2) maintain familiarity with the federal Comprehensive Economic Development Strategy (CEDS) and other economic development planning processes, and coordinate workforce and education activities in the State, including the development and implementation of the state plan required under the Workforce Investment Act of 1998, with economic development planning processes occurring in the State, as appropriate.

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at his or her pleasure, unless otherwise indicated:

(1) two Members of the Vermont House of Representatives appointed by the Speaker of the House;

(2) two Members of the Vermont Senate appointed by the Senate Committee on Committees;

(3) the President of the University of Vermont or designee;

(4) the Chancellor of the Vermont State Colleges or designee;

(5) the President of the Vermont Student Assistance Corporation or designee;

(6) a representative of an independent Vermont college or university;

(7) the Secretary of Education or designee;

(8) a director of a regional technical center;

(9) a principal of a Vermont high school;

(10) two representatives of labor organizations who have been nominated by State labor federations;

(11) two representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);

(12) two representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 2801(51);

(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 2841(b), or if no official has that responsibility, a representative in the State with expertise relating to these programs and activities;

(14) the Commissioner of Economic Development;

(15) the Commissioner of Labor;

(16) the Secretary of Human Services or designee;

(17) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and

(18) a number of appointees sufficient to constitute a majority of the Board who:

(A) are owners, chief executives, or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;

(B) represent businesses with employment opportunities that reflect the employment opportunities of the State; and

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Member representation.

(A) Members of the State Board who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

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

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

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

(4) Work groups; task forces. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members to work groups to carry out the work of the Board; and

(B) appoint one or more members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration.

(5) Quorum; meetings; voting.

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

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

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

(6) Reimbursement.

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

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her necessary expenses, which shall be paid by the Department of Labor solely from funds available for that purpose under the Workforce Investment Act of 1998.

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

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

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

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

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 2822.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE PARTNERS

(a) To ensure the Workforce Investment Board and the Commissioner of Labor are able to fully perform their duties under this chapter, each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board or the Commissioner in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board and the Commissioner of Labor, including the development and implementation of the state plan for workforce education and training required under the Workforce Investment Act of 1998.

§ 542. REGIONAL WORKFORCE DEVELOPMENT EDUCATION AND TRAINING

(a) The Commissioner of Labor, in coordination with the Secretary of Commerce and Community Development, and in consultation with the Workforce ~~education and training Council~~ Investment Board, is authorized to issue performance grants to one or more persons to perform workforce education and training activities in a region.

(b) Each grant shall specify the scope of the workforce education and training activities to be performed and the geographic region to be served, and shall include outcomes and measures to evaluate the grantee's performance.

(c) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop a grant process and eligibility criteria, as well as an outreach process for notifying potential participants of the grant program. The Commissioner of Labor shall have final authority to approve each grant.

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

(a) Creation. There is created a Workforce Education and Training Fund in the ~~department of labor~~ Department of Labor to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) Purposes. The Fund shall be used exclusively for the following ~~two~~ purposes:

(1) training ~~to improve the skills of~~ for Vermont workers, including those who are unemployed, underemployed, or in transition from one job or career to another; and

(2) internships to provide students with work-based learning opportunities with Vermont employers; and

(3) apprenticeship-related instruction.

(c) Administrative Support. Administrative support for the grant award process shall be provided by the ~~Departments~~ Department of Labor and of Economic Development. Technical, ~~administrative, financial, and other~~ support shall be provided whenever appropriate and reasonable by the Workforce ~~Development Council~~ Investment Board and all other public entities involved in ~~Economic Development, workforce development and training, and education~~ economic development and workforce education and training.

(d) Eligible Activities. Awards from the Fund shall be made to employers and entities that offer programs that require collaboration between employees and businesses, including private, public, and nonprofit entities, institutions of higher education, high schools, technical centers, and workforce education and training programs. Funding shall be for training programs and student internship programs that offer education, training, apprenticeship, mentoring, or work-based learning activities, or any combination; that employ innovative intensive student-oriented competency-based or collaborative approaches to workforce education and training; and that link workforce education and economic development strategies. Training programs or projects that demonstrate actual increased income and economic opportunity for employees and employers may be funded for more than one year. Student internships and training programs that involve the same employer may be funded multiple times, provided that new students participate.

(e) ~~Award Criteria and Process. The Workforce education and training Council, in consultation with the Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop criteria consistent with subsection (d) of this section for making awards under this section. The~~

~~Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop a process for making awards. [Repealed].~~

(f) Awards. ~~Based on guidelines set by the council, the~~ The Commissioner of labor, and the Secretary of Education Labor, in consultation with the Workforce Investment Board, shall ~~jointly~~ develop award criteria and may make awards to the following:

(1) Training Programs.

~~(A) Public, private, and nonprofit entities for existing or new innovative training programs. Awards may be made to programs that retrain incumbent workers that enhance the skills of Vermont workers and:~~

~~(i) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(ii) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(iii) articulate clear goals and demonstrate readily accountable, reportable, and measurable results; and~~

~~(iv) demonstrate an integrated connection between training and specific new or continuing employment opportunities.~~

~~(B) Awards under this subdivision shall be made to programs or projects that do all the following:~~

~~(A)(i) offer innovative programs of intensive, student-centric, competency-based education, training, apprenticeship, mentoring, or any combination of these;~~

~~(B)(ii) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed due to changing workplace demands by increasing productivity and developing new skills for incumbent workers; or~~

~~(iii) in the discretion of the Commissioner, otherwise serve the purposes of this chapter.~~

~~(C) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(D) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(E) articulate clear goals and demonstrate readily accountable, reportable, and measurable results;~~

~~(F) demonstrate an integrated connection between training and specific employment opportunities, including an effort and consideration by participating employers to hire those who successfully complete a training program; and~~

(2) Vermont Career Internship Program. Funding for eligible internship programs and activities under the Vermont Career Internship Program established in section 544 of this title.

(3) Apprenticeship Program. The Vermont Apprenticeship Program established under 21 V.S.A. chapter 13. Awards under this subdivision may be used to fund the cost of apprenticeship-related instruction provided by the Department of Labor.

(g) [Repealed.]

§ 544. VERMONT CAREER INTERNSHIP PROGRAM

(a)(1) The Department of Labor, in consultation with the Agency of Education, shall develop and implement a statewide Vermont Career Internship Program for Vermonters who are in high school or in college and for those who are recent graduates of 24 months or less.

(2) The Department of Labor shall coordinate and provide funding to public and private entities for internship programs that match Vermont employers with students from public and private secondary schools, regional technical centers, the Community High School of Vermont, colleges, and recent graduates of 24 months or less.

(3) Funding awarded through the Vermont Career Internship Program may be used to administer an internship program and to provide participants with a stipend during the internship, based on need. Funds may be made only to programs or projects that do all the following:

(A) do not replace or supplant existing positions;

(B) create real workplace expectations and consequences;

(C) provide a process that measures progress toward mastery of skills, attitude, behavior, and sense of responsibility required for success in that workplace;

(D) are designed to motivate and educate secondary and postsecondary students and recent graduates through work-based learning opportunities with Vermont employers that are likely to lead to real employment;

(E) include mechanisms that promote employer involvement with secondary and postsecondary students and curriculum and the delivery of education at the participating schools; and

(F) offer participants a continuum of learning, experience, and relationships with employers that will make it financially possible and attractive for graduates to continue to work and live in Vermont.

(4) ~~For the purposes of~~ As used in this section, “internship” means a learning experience working with an employer where the intern may, but does not necessarily, receive academic credit, financial remuneration, a stipend, or any combination of these.

(b) The Department of Labor, in collaboration with the Agencies of Agriculture, Food and Markets and of Education, ~~state-funded~~ State-funded postsecondary educational institutions, the Workforce ~~Development Council Investment Board~~, and other ~~state~~ State agencies and departments that have workforce education and training and training monies, shall:

(1) identify new and existing funding sources that may be allocated to the Vermont Career Internship Program;

(2) collect data and establish program goals and quantifiable performance measures for internship programs funded through the Vermont Career Internship Program;

(3) develop or enhance a website that will connect students and graduates with internship opportunities with Vermont employers;

(4) engage appropriate agencies and departments of the State in the Internship Program to expand internship opportunities with State government and with entities awarded State contracts; and

(5) work with other public and private entities to develop and enhance internship programs, opportunities, and activities throughout the State.

Sec. 42. 10 V.S.A. chapter 22 is amended to read:

CHAPTER 22. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM
 § 531. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM

(a)(1) The Secretary of Commerce and Community Development ~~may, in consultation with the Workforce Investment Board, shall have the authority to design and implement a Vermont Training Program, the purpose of which shall be to issue performance-based grants to any employer, consortium of employers, or providers of training, either individuals or organizations, as necessary, to conduct training under the following circumstances: to employers and to education and training providers to increase employment opportunities in Vermont consistent with this chapter.~~

(2) The Secretary shall structure the Vermont Training Program to serve as a flexible, nimble, and strategic resource for Vermont businesses and workers across all sectors of the economy.

~~(1) when issuing grants to an employer or consortium of employers, the employer promises as a condition of the grant to where eligible facility is defined as in subdivision 212(6) of this title relating to the Vermont Economic Development Authority, or the employer or consortium of employers promises to open an eligible facility within the State which will employ persons, provided that for the purposes of this section, eligible facility may be broadly interpreted to include employers in sectors other than manufacturing; and~~

~~(2) training is required for potential employees, new employees, or long-standing employees in the methods, either singularly or in combination relating to pre-employment training, on-the-job training, upgrade training, and crossover training, or specialized instruction, either in plant or through a training provider.~~

(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:

~~(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through a training provider;~~

(2) the employer provides its employees with at least three of the following:

(A) health care benefits with 50 percent or more of the premium paid by the employer;

(B) dental assistance;

(C) paid vacation ~~and~~;

(D) paid holidays;

~~(D)~~(E) child care;

~~(E)~~(F) other extraordinary employee benefits;

~~(F)~~(G) retirement benefits; and

(H) other paid time off, including paid sick days;

(3) the training is directly related to the employment responsibilities of the trainee; and

(4) compensation for each trainee at the completion of the training program equals or exceeds the livable wage as defined in 2 V.S.A. § 505, provided that the Secretary shall have the authority to modify this requirement if he or she determines that the employer offers compensation or benefits, the value of which exceeds the compensation and benefit assumptions in the basic needs budget and livable wage calculated pursuant to 2 V.S.A. § 505.

~~(c) The employer promises as a condition of the grant to:~~

~~(1) employ new persons at a wage which, at the completion of the training program, is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one half times the federal or state minimum wage, whichever is greater;~~

~~(2) employ persons who have completed the training provided for them and nominated as qualified for a reasonable period at the wages and occupations described in the contract, unless the employer reasonably finds the nominee is not qualified;~~

~~(3) provide its employees with at least three of the following:~~

~~(A) health care benefits with 50 percent or more of the premium paid by the employer;~~

~~(B) dental assistance;~~

~~(C) paid vacation and holidays;~~

~~(D) child care;~~

~~(E) other extraordinary employee benefits; and~~

~~(F) retirement benefits.~~

~~(4) submit a customer satisfaction report to the Secretary of Commerce and Community Development, on a form prepared by the Secretary for that purpose, no more than 30 days from the last day of the training program.~~

In the case of a grant to a training provider, the Secretary shall require as a condition of the grant that the provider shall disclose to the Secretary the name

of the employer and the number of employees trained prior to final payment for the training.

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

(1) ~~first~~ consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources ~~offered by public or private workforce education and training partners;~~

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training, or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

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

~~(e) The Secretary of Commerce and Community Development shall administer all training programs under this section, may select and use providers of training as appropriate, and shall adopt rules and may accept services, money, or property donated for the purposes of this section. The Secretary may promote awareness of, and may give priority to, training that enhances critical skills, productivity, innovation, quality, or competitiveness, such as training in Innovation Engineering, "Lean" systems, and ISO certification for expansion into new markets. [Repealed.]~~

(f) Upon completion of the training program for any individual, the secretary of Commerce and Community Development shall review the records and shall award to the trainee, if appropriate, a certificate of completion for the training.

~~(g) None of the criteria in subdivision (a)(1) of this section shall apply to a designated job development zone under chapter 29, subchapter 2 of this title. [Repealed.]~~

~~(h) The Secretary may designate the Commissioner of Economic Development to carry out his or her powers and duties under this chapter. [Repealed.]~~

(i) ~~Program Outcomes.~~

~~(1) On or before September 1, 2011, the Agency of Commerce and Community Development, in coordination with the department of labor, and in consultation with the Workforce education and training Council and the legislative Joint Fiscal Office, shall develop, to the extent appropriate, a common set of benchmarks and performance measures for the training program established in this section and the Workforce Education and Training Fund established in section 543 of this title, and shall collect employee-specific data on training outcomes regarding the performance measures; provided, however, that the Secretary shall redact personal identifying information from such data.~~

~~(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a performance report using the benchmarks and performance measures created pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall submit its report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.~~

~~(3) The Secretary shall use information gathered pursuant to this subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.]~~

~~(j) Consistent with the training program's goal of providing specialized training and increased employment opportunities for Vermonters, and notwithstanding provisions of this section to the contrary, the Secretary shall canvas apprenticeship sponsors to determine demand for various levels of training and classes and shall transfer up to \$250,000.00 annually to the regional technical centers to fund or provide supplemental funding for apprenticeship training programs leading up to certification or licensing as journeyman or master electricians or plumbers. The Secretary shall seek to provide these funds equitably throughout Vermont; however, the Secretary shall give priority to regions not currently served by apprenticeship programs offered through the Vermont Department of Labor pursuant to 21 V.S.A. chapter 13. [Repealed].~~

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

~~(1) all active and completed contracts and grants;~~

(2) the types of training activities provided, from among the following, the category the training addressed:

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

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

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

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

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

(3) for the training identified in subdivision whether the training is onsite or classroom-based;

(4) the number of employees served, and ;

(5) the average wage by employer, and addressing;

(6) any waivers granted;

(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;

(8) the identity of each training provider; and

(9) whether training results in a wage increase for a trainee, and the amount of increase.

Sec. 43. REPEAL

2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013 Acts and Resolves No. 81, Sec. 2, is repealed.

Sec. 44. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS

On or before November 1, 2014:

(1) The Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the administration of, and for applicants to, the grant program from the Workforce Education and Training Fund under that section.

(2) The Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best practices and improve clarity in the administration of, and for applicants to, the Vermont Training Program under that section.

Sec. 45. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.

* * * Vermont Strong Scholars Program * * *

Sec. 46. 16 V.S.A. chapter 90 is redesignated to read:

CHAPTER 90. FUNDING OF POSTSECONDARY ~~INSTITUTIONS~~
EDUCATION

Sec. 47. 16 V.S.A. § 2888 is added to read:

§ 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP INITIATIVE

(a) Creation.

(1) There is created a postsecondary loan forgiveness and internship initiative designed to forgive a portion of Vermont Student Assistance Corporation loans of students employed in economic sectors identified as important to Vermont's economy and to build internship opportunities for students to gain work experience with Vermont employers.

(2) The initiative shall be known as the Vermont Strong Scholars and Internship Initiative and is designed to:

(A) encourage students to:

(i) consider jobs in economic sectors that are critical to the Vermont economy;

(ii) enroll and remain enrolled in a Vermont postsecondary institution; and

(iii) live in Vermont upon graduation;

(B) reduce student loan debt for postsecondary education in targeted fields;

(C) provide experiential learning through internship opportunities with Vermont employers; and

(D) support a pipeline of qualified talent for employment with Vermont's employers.

(b) Vermont Strong Loan Forgiveness Program.

(1) Economic sectors; projections.

(A) Annually, on or before November 15, the Secretary of Commerce and Community Development and the Commissioner of Labor, in consultation with the Vermont State Colleges, the University of Vermont, the Vermont Student Assistance Corporation, the Secretary of Human Services, and the Secretary of Education, shall identify economic sectors, projecting at least four years into the future, that are or will be critical to the Vermont economy.

(B) Based upon the identified economic sectors and the number of students anticipated to qualify for loan forgiveness under this section, the Secretary of Commerce and Community Development shall annually provide the General Assembly with the estimated cost of the Vermont Student Assistance Corporation's loan forgiveness awards under the loan forgiveness program during the then-current fiscal year and each of the four following fiscal years.

(2) Eligibility. A graduate of a public or private Vermont postsecondary institution shall be eligible for forgiveness of a portion of his or her Vermont Student Assistance Corporation postsecondary education loans under this section if he or she:

(A) was a Vermont resident, as defined in 16 V.S.A. § 2822(7), at the time he or she was graduated;

(B) enrolled in a postsecondary institution on or after July 1, 2015 and completed an associate's degree within three years, or a bachelor's degree within six years;

(C) becomes employed in Vermont within 12 months of graduation in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection;

(D) remains employed in Vermont throughout the period of loan forgiveness in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection; and

(E) remains a Vermont resident throughout the period of loan forgiveness.

(3) Loan forgiveness. An eligible individual shall have a portion of his or her Vermont Student Assistance Corporation loan forgiven as follows:

(A) for an individual awarded an associate's degree, in an amount equal to the comprehensive in-state tuition rate for 15 credits at the Vermont State Colleges during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

(B) for an individual awarded a bachelor's degree, in an amount equal to the comprehensive in-state tuition rate for 30 credits at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation.

(C) Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from a Vermont postsecondary institution.

(4) Management.

(A) The Secretary of Commerce and Community Development shall develop all organizational details of the loan forgiveness program consistent with the purposes and requirements of this section.

(B) The Secretary shall enter into a memorandum of understanding with the Vermont Student Assistance Corporation for management of the loan forgiveness program.

(C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program.

(c) Vermont Strong Internship Program.

(1) Internship program management.

(A) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop and implement the organizational details of the internship program consistent with the purposes and requirements of this section and may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the internship program.

(B) The Commissioner, in consultation with the Secretary, shall issue a request for proposals for a person to serve as an Internship Program Intermediary, who shall perform the duties and responsibilities pursuant to the terms of a performance contract negotiated by the Commissioner and the Intermediary.

(C) The Department of Labor, the Agency of Commerce and Community Development, the regional development corporations, and the Intermediary, shall have responsibility for building connections within the business community to ensure broad private sector participation in the internship program.

(D) The Program Intermediary shall:

(i) identify and foster postsecondary internships that are rigorous, productive, well-managed, and mentored;

(ii) cultivate relationships with employers, employer-focused organizations, and state and regional government bodies;

(iii) build relationships with Vermont postsecondary institutions and facilitate recruitment of students to apply for available internships;

(iv) create and maintain a registry of participating employers and associated internship opportunities;

(v) coordinate and provide support to the participating student, the employer, and the student's postsecondary institution;

(vi) develop and oversee a participation contract between each student and employer, including terms governing the expectations for the internship, a work plan, mentoring and supervision of the student, reporting by the employer and student, and compensation terms; and

(vii) carry out any additional activities and duties as directed by the Commissioner.

(2) Qualifying internships.

(A) Criteria. To qualify for participation in the internship program an internship shall at minimum:

(i) be with a Vermont employer as approved by the Intermediary in consultation with the Commissioner and Secretary;

(ii) pay compensation to an intern of at least the prevailing minimum wage; and

(iii) meet the quality standards and expectations as established by the Intermediary.

(B) Employment of interns. Interns shall be employed by the sponsoring employer except, with the approval of the Commissioner on a case-by-case basis, interns may be employed by the Intermediary and assigned to work with a participating Vermont employer, in which case the sponsoring employer shall contribute funds as determined by the Commissioner.

(3) Student eligibility. To participate in the internship program an individual shall be:

(A) a Vermont resident enrolled in a post-secondary institution in or outside Vermont;

(B) a student who graduated from a postsecondary institution within 24 months of entering the program who was classified as a Vermont resident during that schooling or who is a student who attended a post-secondary institution in Vermont; or

(C) a student enrolled in a Vermont post-secondary institution.

(d) Funding.

(1) Loan forgiveness program.

(A) Loan forgiveness; State funding.

(i) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered by the Secretary of Commerce and Community Development solely for the purposes of loan forgiveness pursuant to this section.

(ii) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

(iii) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(iv) The availability and payment of loan forgiveness awards under this subdivision is subject to State funding available for the awards.

(B) Loan forgiveness; Vermont Student Assistance Corporation.

The Vermont Student Assistance Corporation shall have the authority to grant loan forgiveness pursuant to this section by using the private loan forgiveness capacity associated with bonds issued by the Corporation to raise funds for private loans that are eligible for forgiveness under this section, if available.

(2) Internship program. Notwithstanding any provision of law to the contrary, the Commissioner of Labor shall have the authority to use funds allocated to the Workforce Education and Training Fund established in 10 V.S.A. § 543 to implement the internship program created in this section.

Sec. 48. VERMONT STRONG INTERIM REPORT

On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the

organizational and economic details of the Vermont Strong Scholars Initiative, including:

(1) the economic sectors selected for loan forgiveness;

(2) the projected annual cost of the Initiative,

(3) the proposed funding sources;

(4) programmatic proposals and economic projections on the feasibility and impacts of expanding eligibility for the loan forgiveness program to include Vermont residents who attend postsecondary institutions outside of Vermont and out-of-state residents who attend Vermont postsecondary institutions; and

(5) the projected balance of the Vermont Strong Scholars Fund for each fiscal year through fiscal year 2018.

Sec. 49. VERMONT PRODUCTS PROGRAM; STUDY; REPORT

(a) The Secretary of Commerce and Community Development, the Secretary of Agriculture, Food and Markets, and the Vermont Attorney General, shall collaborate to identify the issues, stakeholders, and processes necessary to consider whether and how to:

(1) provide Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and to avoid confusion by consumers when the Vermont brand is used in marketing products or services; and

(2) harmonize the Vermont origin rule, the Made in Vermont initiative, the proposed Vermont Products Program or similar initiative, and any other programs or initiatives the Secretaries and the Attorney General determine would be appropriate for such consideration.

(b) On or before September 1, 2015, the Secretaries and the Attorney General shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on their findings and recommendations including:

(1) a licensing system, including the potential for self-certification, for products and services that are manufactured, designed, engineered, or formulated in Vermont;

(2) branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed;

(3) an appropriate annual fee for the issuance of a license;

(4) an application process; and

(5) a dispute resolution process.

* * * Workers' Compensation * * *

Sec. 50. 21 V.S.A. § 632 is amended to read:

§ 632. COMPENSATION TO DEPENDENTS; ~~DEATH BENEFITS~~
BURIAL AND FUNERAL EXPENSES

If death results from the injury, the employer shall pay to the persons entitled to compensation or, if there is none, then to the personal representative of the deceased employee, the actual burial and funeral expenses ~~in the amount of \$5,500.00~~ not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial ~~not to exceed \$1,000.00~~ \$5,000.00. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted. The employer shall also pay to or for the benefit of the following persons, for the periods prescribed in section 635 of this title, a weekly compensation equal to the following percentages of the deceased employee's average weekly wages. The weekly compensation payment herein allowed shall not exceed the maximum weekly compensation or be lower than the minimum weekly compensation:

* * *

Sec. 51. 21 V.S.A. § 639 is amended to read:

§ 639. DEATH, PAYMENT TO DEPENDENTS

In cases of the death of a person from any cause other than the accident during the period of payments for disability or for the permanent injury, the remaining payments for disability then due or for the permanent injury shall be made to the person's dependents according to the provisions of sections 635 and 636 of this title, or if there are none, the remaining amount due, but ~~not exceeding \$5,500.00 for burial and funeral expenses~~ no more than the actual burial and funeral expenses not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial ~~not to exceed \$1,000.00~~ \$5,000.00, shall be paid in a lump sum to the proper person. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted.

Sec. 52. 21 V.S.A. § 640c is added to read:

§ 640c. OPIOID USAGE DETERRENCE

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to protect employees from the dangers of prescription drug abuse while maintaining a balance between the employee's health and the employee's expedient return to work.

(b) As it pertains to workers' compensation claims, the Commissioner of Labor, in consultation with the Department of Health, the State Pharmacologist, the Vermont Board of Medical Practice, and the Vermont Medical Society, shall adopt rules, consistent with the best practices, governing the prescription of opioids, including patient screening and drug screening for patients prescribed opioids for chronic pain. In adopting rules, the Commissioner shall consider guidelines and standards published by the American College of Occupational and Environmental Medicine and other medical authorities with expertise in the treatment of chronic pain. The rules shall be consistent with the standards and guidelines provided under 18 V.S.A. § 4289 and any rules adopted by the Department of Health pursuant to 18 V.S.A § 4289.

Sec. 53. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

* * *

(e)(1) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly that, following a workplace accident, an employee returns to work as soon as possible but remains cognizant of the limitations imposed by his or her medical condition.

(2) The Commissioner shall adopt rules promoting development and implementation of cost-effective, early return-to-work programs.

Sec. 54. 21 V.S.A. § 643a is amended to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the

employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer ~~not already filed, shall be filed with the notice~~ shall be provided to the injured worker. With the notice of discontinuance, the employer shall file only evidence relevant to the discontinuance, including evidence that does not support the discontinuance, with the Commissioner. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of the seven-day limit. The Commissioner may grant an extension up to seven days. The request for an extension shall be specific as to the reason for the extension and must be received by the Commissioner prior to the end of the seven-day limit. A copy of the request for an extension shall be provided to the employer at the time the request is made to the Commissioner. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 55. 21 V.S.A. § 691a is added to read:

§ 691a. POSTING OF SAFETY RECORDS

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to improve the safety experience in the workplace.

(b) An employer subject to the provisions of this chapter shall post a notice in the employer's place of business to advise employees of where they may review the employer's record of workplace safety, including workplace injury

and illness data, in accordance with rules adopted by the Commissioner. The employer's record of workplace safety, including workplace injury and illness data, shall be available for review by employees at the employer's place of business and the Commissioner, but shall not otherwise be public information. The posting shall be in a format approved by the Commissioner. The posting may be in a format provided by the Commissioner.

Sec. 56. 21 V.S.A. § 696 is amended to read:

§ 696. CANCELLATION OF INSURANCE CONTRACTS

A policy or contract shall not be cancelled within the time ~~limited specified~~ in the policy or contract for its expiration, until at least 45 days after a notice of intention to cancel the policy or contract, on a date specified in the notice, has been filed in the office of the ~~commissioner~~ Commissioner and provided to the employer. The notice shall be filed with the Commissioner in accordance with rules adopted by the Commissioner and provided to the employer by certified mail or certificate of mailing. The cancellation shall not affect the liability of an insurance carrier on account of an injury occurring prior to cancellation.

Sec. 57. 21 V.S.A. § 697 is amended to read:

§ 697. NOTICE OF INTENT NOT TO RENEW POLICY

An insurance carrier who does not intend to renew a workers' compensation insurance policy of ~~workers' compensation insurance~~ or guarantee contract covering the liability of an employer under the provisions of this chapter, ~~45 days prior to the expiration of the policy or contract,~~ shall give notice of ~~the its~~ intention to the ~~commissioner of labor~~ Commissioner and ~~to the covered employer~~ at least 45 days prior to the expiration date stated in the policy or contract. The notice shall be given to the employer by certified mail ~~or certificate of mailing.~~ An insurance carrier who fails to give notice shall continue the policy or contract in force beyond its expiration date for 45 days from the day the notice is received by the ~~commissioner~~ Commissioner and ~~the employer.~~ However, ~~this latter provision shall not apply if, prior to such expiration date, on or before the expiration of the existing insurance or guarantee contract the insurance carrier has, by delivery of a renewal contract or otherwise, offered to continue the insurance beyond the date by delivery of a renewal contract or otherwise,~~ or if the employer notifies the insurance carrier in writing that the employer does not wish the insurance continued beyond the expiration date, or if the employer complies with the provisions of section 687 of this title, ~~on or before the expiration of the existing insurance or guarantee contract~~ then the policy will expire upon notice to the Commissioner.

Sec. 58. ROBERT H. WOOD CRIMINAL JUSTICE AND FIRE SERVICE TRAINING CENTER STUDY

The Department of Labor and the Office of Risk Management, in consultation with the Vermont League of Cities and Towns and any other interested parties, shall conduct a study, to be submitted to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on or before January 15, 2015, to:

(1) analyze existing and frequently occurring injuries suffered by individuals while attending the Robert H. Wood Criminal Justice and Fire Service Training Center;

(2) analyze preventive measures to avoid injuries;

(3) recommend who should bear the financial burden of the workers' compensation premiums; and

(4) recommend preventive measures necessary to reduce injuries.

Sec. 59. WORKPLACE SAFETY RANKING STUDY

The Department of Labor and the Department of Financial Regulation, in consultation with the *National Council on Compensation Insurance*, shall study whether information may be made available to employers to allow an employer to compare its workplace safety and workers' compensation experience with that of employers in similar industries or *North American Industry Classification System* codes.

Sec. 60. 2013 Acts and Resolves No. 75, Sec. 14 is amended as follows:

Sec. 14. UNIFIED PAIN MANAGEMENT SYSTEM ADVISORY COUNCIL

* * *

(b) The Unified Pain Management System Advisory Council shall consist of the following members:

* * *

(4) the Commissioner of Labor or designee;

(5) the Director of the Blueprint for Health or designee;

~~(5)~~(6) the Chair of the Board of Medical Practice or designee, who shall be a clinician;

~~(6)~~(7) a representative of the Vermont State Dental Society, who shall be a dentist;

~~(7)~~(8) a representative of the Vermont Board of Pharmacy, who shall be a pharmacist;

~~(8)~~(9) a faculty member of the academic detailing program at the University of Vermont's College of Medicine;

~~(9)~~(10) a faculty member of the University of Vermont's College of Medicine with expertise in the treatment of addiction or chronic pain management;

~~(10)~~(11) a representative of the Vermont Medical Society, who shall be a primary care clinician;

~~(11)~~(12) a representative of the American Academy of Family Physicians, Vermont chapter, who shall be a primary care clinician;

~~(12)~~(13) a representative from the Vermont Board of Osteopathic Physicians, who shall be an osteopath;

~~(13)~~(14) a representative of the Federally Qualified Health Centers, who shall be a primary care clinician selected by the Bi-State Primary Care Association;

~~(14)~~(15) a representative of the Vermont Ethics Network;

~~(15)~~(16) a representative of the Hospice and Palliative Care Council of Vermont;

~~(16)~~(17) a representative of the Office of the Health Care Ombudsman;

~~(17)~~(18) the Medical Director for the Department of Vermont Health Access;

~~(18)~~(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals;

~~(19)~~(20) a member of the Vermont Board of Nursing Subcommittee on APRN Practice, who shall be an advanced practice registered nurse;

~~(20)~~(21) a representative from the Vermont Assembly of Home Health and Hospice Agencies;

~~(21)~~(22) a psychologist licensed pursuant to 26 V.S.A. chapter 55 who has experience in treating chronic pain, to be selected by the Board of Psychological Examiners;

~~(22)~~(23) a drug and alcohol abuse counselor licensed pursuant to 33 V.S.A. chapter 8, to be selected by the Deputy Commissioner of Health for Alcohol and Drug Abuse Programs;

~~(23)~~(24) a retail pharmacist, to be selected by the Vermont Pharmacists Association;

~~(24)~~(25) an advanced practice registered nurse full-time faculty member from the University of Vermont's Department of Nursing; and

~~(25)~~(26) a consumer representative who is either a consumer in recovery from prescription drug abuse or a consumer receiving medical treatment for chronic noncancer-related pain;

(27) a clinician who specializes in occupational medicine or physical medicine and rehabilitation; and

(28) a consumer representative who is or has been an injured worker and has been prescribed opioids.

* * *

* * * Prevailing Wages; State Construction Projects * * *

Sec. 61. 29 V.S.A. § 161 is amended to read:

§ 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS

* * *

(b) Each contract awarded under this section for ~~any State project with a construction cost exceeding \$100,000.00 and~~ construction projects which are authorized or funded in whole or in part by a capital construction act pursuant to 32 V.S.A. § 701a, including such a project of the University of Vermont and State Agricultural College and of the Vermont State Colleges, shall provide that all construction employees working on the project shall be paid no less than the ~~mean~~ prevailing wage published periodically by the Department of Labor in its occupational employment and wage survey determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended. The Commissioner of Labor, in consultation with the Commissioner of Buildings and General Services, may adopt rules as necessary, pursuant to 3 V.S.A. chapter 25, to implement this subsection. This section does not require that the federal Davis-Bacon Act reporting requirements be applied to State construction projects.

* * *

Sec. 62. STATE CONSTRUCTION PROJECTS; CONTRACTS SUBJECT TO STATE PREVAILING WAGE

(a) It is the intent of the General Assembly that the transition to the use of the prevailing wage determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C.

§ 276a, as may be amended, in State construction projects shall not change the scope of State construction projects that are subject to the requirements of 29 V.S.A. § 161(b).

(b) Notwithstanding Sec. 1 of this act, the following contracts shall remain subject to the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey:

(1) contracts for State construction projects executed prior to July 1, 2015;

(2) any change orders or amendments to contracts for State construction projects executed prior to July 1, 2015; and

(3) contracts for State construction projects that result from instructions to bidders posted by the State of Vermont prior to July 1, 2015.

Sec. 63. PREVAILING WAGE; UNIVERSITY OF VERMONT AND VERMONT STATE COLLEGES

The University of Vermont and State Agricultural College and the Vermont State Colleges shall pay no less than the prevailing wage determinations as have been made by the Secretary of the U.S. Department of Labor in accordance with the Davis-Bacon Act, 40 U.S.C. § 276a, as may be amended, for any new construction or major renovation project that receives funding in any capital construction act.

* * * Effective Dates * * *

Sec. 64. EFFECTIVE DATES

(a) This section, Secs. 20a (Public Service Board; order revision), 52, 53, 58, 59, and 60 (certain workers' compensation provisions) shall take effect on passage.

(b) 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) in Sec. 47 and Secs. 61-63 shall take effect on July 1, 2015.

(c) The remainder of this act shall take effect on July 1, 2014.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Mullin, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

Thereupon, pursuant to the request of the Senate, the President announced the appointment of

Senator Mullin
Senator Baruth
Senator Bray

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Thereupon, on motion of Senator Campbell, the rules were suspended and the bill was ordered messaged to the House forthwith.

Message from the House No. 77

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered bills originating in the Senate of the following title:

S. 263. An act relating to the authority of assistant judges in child support contempt proceedings.

S. 264. An act relating to technical corrections to civil and criminal procedure statutes.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill of the following title:

H. 413. An act relating to the Uniform Collateral Consequences of Conviction Act.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill of the following title:

H. 578. An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill of the following title:

H. 646. An act relating to unemployment insurance.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Adjournment

On motion of Senator Campbell, the Senate adjourned until ten o'clock in the morning.

THURSDAY, MAY 8, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 78

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 316. An act relating to child care providers.

And has passed the same in concurrence.

The House has considered Senate proposals of amendment to the following House bills:

H. 681. An act relating to the professional regulation for veterans, military service members, and military spouses .

H. 882. An act relating to compensation for certain State employees.

And has severally concurred therein.

Senate Resolution Referred**S.R. 14.**

Senate resolution of the following title was offered, read the first time and is as follows:

Senate resolution relating to bad faith patent assertion.

By Senator Mullin, Baruth, Bray, Collins, and Doyle,

S.R. 14. Senate resolution relating to bad faith patent assertion.

Whereas, instances of bad faith patent assertion result in unfair demands for patent use payments, and

Whereas, in 2011, bad faith patent infringement actions cost American companies \$80 billion, including \$29 billion in direct payouts, and

Whereas, in 2012, bad faith patent infringement actions constituted more than over-half of the patent infringement suits filed in the United States, and

Whereas, in June 2013, President Obama issued several executive orders intended to curtail this practice, including directing the U.S. Patent and Trademark Office to tighten scrutiny of overly broad patents, and

Whereas, several large and small Vermont businesses have received demand letters for patent use payments, and

Whereas, in September 2013, Vermont business leaders met to discuss bad faith patent assertion and acknowledged the serious problem it poses to commerce in this State, and

Whereas, in 2013, the General Assembly enacted 9 V.S.A. chapter 120, providing a State judicial forum for parties facing bad faith assertions of patent infringement, and

Whereas, while all of these federal and State actions are useful, bad faith patent assertion will only be curtailed through the enactment of strong federal legislation, and

Whereas, U.S. Senator Patrick Leahy has introduced S.1720, the Patent Transparency and Improvements Act of 2013, to put a stop to this abuse of the U.S. patent system, *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont supports congressional efforts to eliminate patent abuse in the form of bad faith patent assertion and the need for strong federal legislation, including fee shifting, more stringent pleading standards, and limitations on the initial discovery process, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to the Vermont Congressional Delegation.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Economic Development, Housing and General Affairs.

Joint Resolution Referred

J.R.H. 19.

Joint resolution originating in the House of the following title was read the first time and is as follows:

Joint resolution relating to encouraging New Hampshire to enact laws protecting emergency responders from across state lines.

Whereas, pre-hospital care is reliant on the thorough cooperation of medical care providers from many jurisdictions and from volunteers who make up a large portion of the staffing of emergency medical service units, and

Whereas, mutual aid agreements exist between Vermont and New Hampshire Fire Departments and rescue squads to promote that cooperation across state borders for that pre-hospital medical care as well as fire protection and response to all emergencies, and

Whereas, on August 22, 2006, the Springfield Vermont Fire Department responded to a 911 call for help for a woman who had fallen from a dock on the Connecticut River; the woman, having suffered minor injuries, was not able to walk, pull herself up onto the dock, or climb the riverbank, and therefore required assistance, and

Whereas, the Springfield Vermont Fire Department responded and subsequently requested and received mutual aid assistance from the Town of Charlestown and the Cornish Rescue Squad, both New Hampshire entities; and the Cornish Rescue Squad responded with its airboat to transport the patient to a landing for transfer to an ambulance, and

Whereas, the patient was transferred to a Stokes basket rescue litter, immobilized for carrying, and secured to the airboat for transport to the boat landing in Springfield, Vermont, and, as the Cornish Rescue Squad attempted to transport the patient to the landing, the airboat sank in a portion of the river within the jurisdiction of Charlestown, New Hampshire, and the patient drowned, and

Whereas, the decedent's estate filed suit in New Hampshire Superior Court against various parties including the Town of Springfield and a number of New Hampshire entities, and

Whereas, because Springfield is outside the State of New Hampshire and the rescue boat sank within the jurisdiction of New Hampshire, the New Hampshire Superior Court denied to the Town of Springfield both the immunity protections provided by Vermont law and those liability protections provided to New Hampshire towns by New Hampshire law, thereby causing Springfield to be exposed to unlimited liability while the New Hampshire entities received the full protections provided under New Hampshire law, and

Whereas, the New Hampshire Supreme Court denied Springfield, Vermont's motion for reconsideration or to hear an interlocutory appeal of the case, and

Whereas, the Town of Springfield, Vermont, and its coverage provider, the VLCT Property and Casualty Intermunicipal Fund self-insured risk pool, had to pay approximately \$700,000.00 as a result of a settlement necessitated by the lack of legal protections, and

Whereas, failure to address the Vermont emergency responders' exposure to liability that resulted from these New Hampshire court decisions detrimentally affects the willingness of Vermont municipalities in border areas to cooperate with New Hampshire authorities in providing emergency services in the future, and

Whereas, there is a possible remedy to this injustice in statute if the New Hampshire Legislature were to review and amend several statutes, including: RSA 153-A:2, RSA 153-A:19, RSA 154:1-d, RSA 508:12, RSA 508:12-b, and RSA 508:17, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly respectfully requests the New Hampshire Legislature to amend New Hampshire statutes necessary to offer the same protections to Vermont emergency service entities responding in New Hampshire as those offered to New Hampshire entities, and be it further

Resolved: That the General Assembly affirms its support for cooperation between Vermont and New Hampshire emergency response entities and for protection from liability that is afforded equitably to both Vermont and New Hampshire entities, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the New Hampshire Speaker of the House, Terie Norelli, and the President of the Senate, Chuck Morse, and to the Governor of New Hampshire, Maggie Hassan.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was treated as a bill and referred to the Committee on Judiciary.

Bill Passed in Concurrence with Proposal of Amendment

H. 695.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to establishing a product stewardship program for primary batteries.

Bills Passed in Concurrence

House bills of the following titles were severally read the third time and passed in concurrence:

H. 870. An act relating to the merger of the Town of Pittsford and the Pittsford Fire District No. 1.

H. 892. An act relating to approval of the adoption and the codification of the charter of the Central Vermont Public Safety Authority.

H. 893. An act relating to approval of the adoption and the codification of the charter of the North Branch Fire District No. 1.

H. 894. An act relating to approval of amendments to the charter of the City of Montpelier and to merging the Montpelier Fire District No. 1 into the City of Montpelier.

House Proposal of Amendment Concurred In with Amendment

S. 184.

House proposal of amendment to Senate bill entitled:

An act relating to eyewitness identification policy.

Was taken up.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. chapter 182, subchapter 3 is added to read:

Subchapter 3. Law Enforcement Practices

§ 5581. EYEWITNESS IDENTIFICATION POLICY

(a) On or before January 1, 2015, every State, county, and municipal law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with 20 V.S.A. § 2358 shall adopt an eyewitness identification policy.

(b) The written policy shall contain, at a minimum, the following essential elements as identified by the Law Enforcement Advisory Board:

(1) Protocols guiding the use of a show-up identification procedure.

(2) The photo or live lineup shall be conducted by a blind administrator who does not know the suspect's identity. For law enforcement agencies with limited staff, this can be accomplished through a procedure in which photographs are placed in folders, randomly numbered and shuffled, and then presented to an eyewitness such that the administrator cannot see or track which photograph is being presented to the witness until after the procedure is completed.

(3) Instructions to the eyewitness, including that the perpetrator may or may not be among the persons in the identification procedure.

(4) In a photo or live lineup, fillers shall possess the following characteristics:

(A) All fillers selected shall resemble the eyewitness's description of the perpetrator in significant features such as face, weight, build, or skin tone, including any unique or unusual features such as a scar or tattoo.

(B) At least five fillers shall be included in a photo lineup, in addition to the suspect.

(C) At least four fillers shall be included in a live lineup, in addition to the suspect.

(5) If the eyewitness makes an identification, the administrator shall seek and document a clear statement from the eyewitness, at the time of the identification and in the eyewitness's own words, as to the eyewitness's confidence level that the person identified in a given identification procedure is the perpetrator.

(c) The model policy issued by the Law Enforcement Advisory Board shall encourage ongoing law enforcement training in eyewitness identification procedures for State, county, and municipal law enforcement agencies and constables who exercise law enforcement authority pursuant to 24 V.S.A. § 1936a and are trained in compliance with 20 V.S.A. § 2358.

(d) If a law enforcement agency does not adopt a policy by January 1, 2015 in accordance with this section, the model policy issued by the Law Enforcement Advisory Board shall become the policy of that law enforcement agency or constable.

Sec. 2. REPORTING EYEWITNESS IDENTIFICATION POLICIES

The Vermont Criminal Justice Training Council shall report to the General Assembly on or before April 15, 2015 regarding law enforcement's compliance with Sec. 1 of this act.

Sec. 3. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; BIAS-FREE POLICING POLICY; RACE DATA COLLECTION

(a) ~~No later than January 1, 2013~~ On or before September 1, 2014, every State, local, county, and municipal law enforcement agency ~~that employs one or more certified law enforcement officers,~~ and every law enforcement officer who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, shall adopt a bias-free policing policy. The policy shall contain ~~the following essential~~ substantially the same elements of ~~such a policy as determined by the Law~~

~~Enforcement Advisory Board after its review of either the current Vermont State Police Policy and bias-free policing policy or the most current model policy issued by the Office of the Attorney General.~~

~~(b) The policy shall encourage ongoing bias free law enforcement training for State, local, county, and municipal law enforcement agencies. If a law enforcement agency or officer that is required to adopt a policy pursuant to subsection (a) of this section fails to do so on or before September 1, 2014, that agency or officer shall be deemed to have adopted, and shall follow and enforce, the model policy issued by the Office of the Attorney General.~~

~~(c) On or before September 7, 2014, and annually thereafter as part of their annual training report to the Council, every State, local, county, and municipal law enforcement agency, and every law enforcement officer who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, shall report to the Council whether the agency or officer has adopted a bias-free policing policy in accordance with subsections (a) and (b) of this section and which policy has been adopted. The Criminal Justice Training Council shall determine, as part of the Council's annual certification of training requirements, if current officers have received training on bias-free policing.~~

~~(d) On or before October 15, 2014, and annually thereafter on April 1, the Criminal Justice Training Council shall report to the House and Senate Committees on Judiciary which departments and officers have adopted a bias-free policing policy, which policy has been adopted, and whether officers have received training on bias-free policing.~~

~~(e) On or before September 1, 2014, every State, local, county, and municipal law enforcement agencies that employ one or more certified law enforcement officers are encouraged to work with the Vermont Association of Chiefs of Police to extend the collection of roadside stop race data uniformly throughout state law enforcement agencies, with the goal of obtaining uniform roadside stop race data for analysis. Agency shall collect roadside stop data consisting of the following: the age, gender, and race of the driver; the reason for the stop; the type of search conducted, if any; the evidence located, if any; and the outcome of the stop. Law enforcement agencies shall work with the Vermont Criminal Justice Training Council with the goals of collecting uniform data, adopting uniform storage methods and periods, and ensuring that data can be analyzed. Roadside stop data, as well as reports and analysis of roadside stop data, shall be public.~~

Sec. 4. 13 V.S.A. chapter 182, subchapter 3 of is added to read:

Subchapter 3. Law Enforcement Practices

§ 5581. ELECTRONIC RECORDING OF A CUSTODIAL INTERROGATION

(a) As used in this section:

(1) “Custodial interrogation” means any interrogation:

(A) involving questioning by a law enforcement officer that is reasonably likely to elicit an incriminating response from the subject; and

(B) in which a reasonable person in the subject’s position would consider himself or herself to be in custody, starting from the moment a person should have been advised of his or her Miranda rights and ending when the questioning has concluded.

(2) “Electronic recording” or “electronically recorded” means an audio and visual recording that is an authentic, accurate, unaltered record of a custodial interrogation, or if law enforcement does not have the current capacity to create a visual recording, an audio recording of the interrogation.

(3) “Place of detention” means a building or a police station that is a place of operation for the State police, a municipal police department, county sheriff department, or other law enforcement agency that is owned or operated by a law enforcement agency at which persons are or may be questioned in connection with criminal offenses or detained temporarily in connection with criminal charges pending a potential arrest or citation.

(4) “Statement” means an oral, written, sign language, or nonverbal communication.

(b)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony violation of chapter 53 (homicide) or 72 (sexual assault) of this title shall be electronically recorded in its entirety.

(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.

(c)(1) The following are exceptions to the recording requirement in subsection (b) of this section:

(A) exigent circumstances;

(B) a person’s refusal to be electronically recorded;

(C) interrogations conducted by other jurisdictions;

(D) a reasonable belief that the person being interrogated did not commit a felony violation of chapter 53 (homicide) or 72 (sexual assault) of this title and, therefore, an electronic recording of the interrogation was not required;

(E) the safety of a person or protection of his or her identity; and

(F) equipment malfunction.

(2) If law enforcement does not make an electronic recording of a custodial interrogation as required by this section, the prosecution shall prove by a preponderance of the evidence that one of the exceptions identified in subdivision (1) of this subsection applies. If the prosecution does not meet the burden of proof, the evidence is still admissible, but the Court shall provide cautionary instructions to the jury regarding the failure to record the interrogation.

Sec. 5. LAW ENFORCEMENT ADVISORY BOARD

(a) The Law Enforcement Advisory Board (LEAB) shall develop a plan for the implementation of Sec. 1 of this act, 13 V.S.A. § 5581 (electronic recording of a custodial interrogation).

(b) The LEAB, in consultation with practitioners and experts in recording interrogations, including the Innocence Project, shall:

(1) assess the scope and location of the current inventory of recording equipment in Vermont;

(2) develop recommendations, including funding options, regarding how to equip adequately law enforcement with the recording devices necessary to carry out Sec. 1 of this act, 13 V.S.A. § 5581 (electronic recording of a custodial interrogation); and

(3) develop recommendations for expansion of recordings to questioning by a law enforcement officer that is reasonably likely to elicit an incriminating response from the subject regarding any felony offense.

(c) On or before October 1, 2014, the LEAB shall submit a written report to the Senate and House Committees on Judiciary with its recommendations for the implementation of Sec. 1 of this act, 13 V.S.A. § 5581 (electronic recording of a custodial interrogation).

Sec. 6. EFFECTIVE DATES

This act shall take effect on passage except for Sec. 4 which shall take effect on October 1, 2015.

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

An act relating to law enforcement policies on eyewitness identification and bias-free policing and on recording of custodial interrogations in homicide and sexual assault cases.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; ~~BIAS-FREE~~ FAIR AND IMPARTIAL POLICING POLICY; RACE DATA COLLECTION

(a)(1) ~~No later than January 1, 2013~~ Except as provided in subdivision (2) of this subsection, on or before September 1, 2014, every State, local, county, and municipal law enforcement agency that employs one or more certified law enforcement officers, and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, shall adopt a bias-free fair and impartial policing policy. The policy shall contain the following essential substantially the same elements of such a policy as determined by the Law Enforcement Advisory Board after its review of either the current Vermont State Police Policy and fair and impartial policing policy or the most current model policy issued by the Office of the Attorney General.

(2) On or before January 1, 2016, the Criminal Justice Training Council, in consultation with stakeholders, including the Vermont League of Cities and Towns, the Vermont Human Rights Commission, and Migrant Justice, shall adopt a model fair and impartial policing policy. On or before July 1, 2016, every State, local, county, and municipal law enforcement agency, and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, shall adopt a fair and impartial policing policy that includes, at a minimum, the elements of the Criminal Justice Training Council policy.

(b) ~~The policy shall encourage ongoing bias-free law enforcement training for State, local, county, and municipal law enforcement agencies~~ If a law enforcement agency or constable that is required to adopt a policy pursuant to subsection (a) of this section fails to do so on or before September 1, 2014, that agency or constable shall be deemed to have adopted, and shall follow and enforce, the model policy issued by the Office of the Attorney General.

(c) On or before September 15, 2014, and annually thereafter as part of their annual training report to the Council, every State, local, county, and

municipal law enforcement agency, and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title, shall report to the Council whether the agency or officer has adopted a fair and impartial policing policy in accordance with subsections (a) and (b) of this section and which policy has been adopted. The Criminal Justice Training Council shall determine, as part of the Council's annual certification of training requirements, if current officers have received training on fair and impartial policing.

(d) On or before October 15, 2014, and annually thereafter on April 1, the Criminal Justice Training Council shall report to the House and Senate Committees on Judiciary which departments and officers have adopted a fair and impartial policing policy, which policy has been adopted, and whether officers have received training on fair and impartial policing.

(e)(1) On or before September 1, 2014, every State, local, county, and municipal law enforcement agencies that employ one or more certified law enforcement officers are encouraged to work with the Vermont Association of Chiefs of Police to extend the collection of roadside stop race data uniformly throughout state law enforcement agencies, with the goal of obtaining uniform roadside stop race data for analysis agency shall collect roadside stop data consisting of the following:

- (A) the age, gender, and race of the driver;
- (B) the reason for the stop;
- (C) the type of search conducted, if any;
- (D) the evidence located, if any; and
- (E) the outcome of the stop, including whether:
 - (i) a written warning was issued;
 - (ii) a citation for a civil violation was issued;
 - (iii) a citation or arrest for a misdemeanor or a felony occurred; or
 - (iv) no subsequent action was taken.

(2) Law enforcement agencies shall work with the Criminal Justice Training Council with the goals of collecting uniform data, adopting uniform storage methods and periods, and ensuring that data can be analyzed. Roadside stop data, as well as reports and analysis of roadside stop data, shall be public.

Which was agreed to.

Rules Suspended; Proposals of Amendment; Third Reading Ordered**H. 869.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous agricultural subjects.

Was taken up for immediate consideration.

Thereupon, Senator McAllister, for the Committee on Agriculture, to which the bill was referred respectfully reported that it has considered the same and recommends that the Senate propose to the House to amend the bill as follows:

First: In Sec. 3, 6 V.S.A. § 1085(b), in the last sentence, before “may be eligible” by striking out “also”.

Second: By striking out Sec. 12 in its entirety and inserting in lieu thereof new Secs. 12–17 to read as follows:

* * * Emergency Authority * * *

Sec. 12. 6 V.S.A. § 21 is added to read:

§ 21. AUTHORITY TO ADDRESS PUBLIC HEALTH HAZARDS AND FOOD SAFETY ISSUES

(a) As used in this section:

(1) “Adulterated” shall have the same meaning as in 18 V.S.A. § 4059 and shall include adulteration under rules adopted under 18 V.S.A. chapter 82.

(2) “Emergency” means any natural disaster, weather-related incident, health- or disease-related incident, resource shortage, plant pest outbreak, accident, or fire that poses a threat or may pose a threat, as determined by the Secretary, to health, safety, the environment, or property in Vermont.

(3) “Farm” means a site or parcel on which farming is conducted.

(4) “Farming” shall have the same meaning as in 10 V.S.A. § 6001(22).

(5) “Public health hazard” means the potential harm to the public health by virtue of any condition or any biological, chemical, or physical agent. In determining whether a health hazard is public or private, the Secretary shall consider at least the following factors:

(A) the number of persons at risk;

(B) the characteristics of the person or persons at risk;

(C) the characteristics of the condition or agent that is the source of potential harm;

(D) the availability of private remedies;

(E) the geographical area and characteristics thereof where the condition or agent that is the source of the potential harm or the receptors exists; and

(F) the policy of the Agency of Agriculture, Food and Markets as established by rule or procedure.

(6) "Raw agricultural commodity" means any food in its raw or natural state, including all fruits or vegetables that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing.

(7) "Secretary" means the Secretary of Agriculture, Food and Markets.

(b) The Secretary shall have the authority to:

(1) respond to and remediate incidences of mass animal death, agricultural structure fires, or other emergencies on a farm in order to prevent a public health hazard;

(2) condemn, confiscate, or establish restrictions on the use, sale, or distribution of adulterated raw agricultural commodities or animal feed; and

(3) cooperate with the Department of Health and other State and federal agencies regarding:

(A) the prevention or remediation of the adulteration of raw agricultural commodities, food, or animal feed on farms; and

(B) application of the FDA Food Safety Modernization Act, 21 U.S.C. §§ 2201–2252, to farms, farm products, or value-added products produced in the State.

* * * Testing of Captive Deer * * *

Sec. 13. 6 V.S.A. § 1165 is amended to read:

§ 1165. TESTING OF CAPTIVE DEER

(a) Definitions. As used in this section:

(1) "Captive deer operation" means a place where deer are privately or publicly maintained or held for economic or other purposes within a perimeter fence or confined space.

(2) "Chronic wasting disease" or "CWD" means a transmissible spongiform encephalopathy.

(b) Testing. A person operating a captive deer operation under the jurisdiction of the Secretary of Agriculture, Food and Markets shall inform the Secretary when a captive deer in his or her control dies or is sent to slaughter.

The person operating the captive deer operation shall make the carcass of a deceased or slaughtered animal available to the Secretary for testing for CWD.

(c) Cost. The cost of CWD testing required under this section shall be paid by the Secretary, and shall not be assessed to the person operating the captive deer operation from which a tested captive deer originated.

* * * Agricultural Water Quality* * *

Sec. 14. 6 V.S.A. § 4812 is amended to read:

§ 4812. CORRECTIVE ACTIONS

(a) When the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets determines that a person engaged in farming is managing a farm using practices which are inconsistent with the ~~practices defined by requirements of this chapter or rules adopted~~ practices defined by requirements of this chapter or rules adopted under this subchapter, the ~~secretary~~ Secretary may issue a written warning which shall be served in person or by certified mail, return receipt requested. The warning shall include a brief description of the alleged violation, identification of this statute and applicable rules, a recommendation for corrective actions that may be taken by the person, along with a summary of federal and ~~state~~ State assistance programs which may be utilized by the person to remedy the violation ~~and a request for an abatement schedule from the person according to which the practice shall be altered.~~ and a request for an abatement schedule from the person according to which the practice shall be altered. The person shall have 30 days to respond to the written warning and shall provide an abatement schedule for curing the violation and a description of the corrective action to be taken to cure the violation. If the person fails to respond to the written warning within this period or to take corrective action to change the practices ~~in order to protect water quality~~, the ~~secretary~~ Secretary may act pursuant to subsection (b) of this section in order to protect water quality.

(b) ~~After an opportunity for a hearing, the secretary~~ The Secretary may:

(1) issue cease and desist orders and administrative penalties in accordance with the requirements of sections 15, 16, and 17 of this title; and

(2) institute appropriate proceedings on behalf of the ~~agency~~ Agency to enforce this subchapter.

(c) Whenever the ~~secretary~~ Secretary believes that any person engaged in farming is in violation of this subchapter or rules adopted thereunder, an action may be brought in the name of the ~~agency~~ Agency in a court of competent jurisdiction to restrain by temporary or permanent injunction the continuation or repetition of the violation. The court may issue temporary or permanent injunctions, and other relief as may be necessary and appropriate to curtail any violations.

~~(d) The secretary may assess administrative penalties in accordance with sections 15, 16, and 17 of this title against any farmer who violates a cease and desist order or other order issued under subsection (b) of this section. [Repealed.]~~

(e) Any person subject to an enforcement order or an administrative penalty who is aggrieved by the final decision of the ~~secretary~~ Secretary may appeal to the ~~superior court~~ Superior Court within 30 days of the decision. The administrative judge may specially assign an ~~environmental~~ Environmental judge to ~~superior court~~ Superior Court for the purpose of hearing an appeal.

Sec. 15. 6 V.S.A. § 4816 is added to read:

§ 4816. SEASONAL APPLICATION OF MANURE

(a) Prohibition on application. A person shall not apply manure to land in the State between December 15 and April 1 of any calendar year unless authorized by this section.

(b) Extension of prohibition. The Secretary of Agriculture, Food and Markets shall amend the accepted agricultural practices by rule in order to establish a process under which the Secretary may prohibit the application of manure to land in the State between December 1 and December 15 and between April 1 and April 30 of any calendar year when the Secretary determines that due to weather conditions, soil conditions, or other limitations, application of manure to land would pose a significant potential of discharge or runoff to State waters.

(c) Seasonal exemption. The Secretary of Agriculture, Food and Markets shall amend the accepted agricultural practices by rule in order to establish a process under which the Secretary may authorize an exemption to the prohibition on the application of manure to land in the State between December 15 and April 1 of any calendar year or during any period established under subsection (b) of this section when manure is prohibited from application. Any process established for the issuance of an exemption under the accepted agricultural practices may authorize land application of manure on a weekly, monthly, or seasonal basis or in authorized regions, areas, or fields in the State, provided that any exemption shall:

(1) prohibit application of manure:

(A) in areas with established channels of concentrated stormwater runoff to surface waters, including ditches and ravines;

(B) in nonharvested permanent vegetative buffers;

(C) in a nonfarmed wetland, as that term is defined in 10 V.S.A. § 902(5);

(D) within 50 feet of a potable water supply, as that term is defined in 10 V.S.A. § 1972(6);

(E) to fields exceeding tolerable soil loss; and

(F) to saturated soils;

(2) establish requirements for the application of manure when frozen or snow-covered soils prevent effective incorporation at the time of application;

(3) require manure to be applied according to a nutrient management plan; and

(4) establish the maximum tons of manure that may be applied per acre during any one application.

Sec. 16. SMALL FARM AGRICULTURAL WATER QUALITY TRAINING

On or before January 15, 2015, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forest Products a proposed voluntary training program for owners or operators of small farms. The proposed voluntary training program shall include:

(1) the prevention of discharges, as that term is defined in 10 V.S.A. § 1251(3);

(2) the requirements for small farms under the accepted agricultural practices;

(3) the mitigation and management from farms of stormwater runoff, as that term is defined in 10 V.S.A. § 1264.

(4) the existing statutory and regulatory requirements for operation of a small farm in the State; and

(5) address the management practices and technical and financial resources available to assist in compliance with statutory or regulatory agricultural requirements.

Sec. 17. EFFECTIVE DATES

This section and Secs. 12 (AAFM emergency authority), 13 (captive deer testing), and 14 (corrective actions; agricultural water quality) shall take effect on passage. All other sections shall take effect on July 1, 2014.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Lyons, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the

bill be amended as recommended by the Committee on Agriculture with the following amendment thereto:

By striking out Sec. 11 in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. REPEAL OF EXEMPTIONS FOR WEIGHTS AND MEASURES FEES

9 V.S.A. § 2730(g) (license fee exemptions; commercial scale and motor fuel dispensers) shall be repealed on July 1, 2016.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Agriculture.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Agriculture was amended as recommended by the Committee on Finance.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Agriculture, as amended?, Senators Starr, French, McAllister, Sirotkin and Zuckerman, moved that the proposal of amendment of the Committee on Agriculture, as amended, be amended in the *second* proposal of amendment by adding two new sections to read as follows:

* * * Primary Agricultural Soils * * *

Sec. 16a. 10 V.S.A. § 6093 is amended to read:

§ 6093. MITIGATION OF PRIMARY AGRICULTURAL SOILS

(a) Mitigation for loss of primary agricultural soils. Suitable mitigation for the conversion of primary agricultural soils necessary to satisfy subdivision 6086(a)(9)(B)(iv) of this title shall depend on where the project tract is located.

(1) Project located in ~~growth center~~ certain designated areas. This subdivision applies to projects located in the following areas designated under 24 V.S.A. chapter 76A: a downtown development district, a growth center, a new town center designated on or before January 1, 2014, and a neighborhood development area associated with a designated downtown development district. If the project tract is located in a ~~designated growth center~~ one of these designated areas, an applicant who complies with subdivision 6086(a)(9)(B)(iv) of this title shall deposit an offsite mitigation fee into the Vermont ~~housing and conservation trust fund~~ Housing and Conservation Trust

Fund established under section 312 of this title for the purpose of preserving primary agricultural soils of equal or greater value with the highest priority given to preserving prime agricultural soils as defined by the U.S. Department of Agriculture. Any required offsite mitigation fee shall be derived by:

(A) ~~determining~~ Determining the number of acres of primary agricultural soils affected by the proposed development or subdivision;

(B) ~~multiplying~~ Multiplied the number of affected acres of primary agricultural soils by a factor resulting in a ratio established as follows:

(i) ~~for~~ For development or subdivision within a designated ~~growth center~~ area described in this subdivision (a)(1), the ratio shall be 1:1;

(ii) ~~for~~ For residential construction that has a density of at least eight units of housing per acre, of which at least eight units per acre or at least 40 percent of the units, on average, in the entire development or subdivision, whichever is greater, meets the definition of affordable housing established in this chapter, no mitigation shall be required, regardless of location in or outside a designated area described in this subdivision (a)(1). However, all affordable housing units shall be subject to housing subsidy covenants, as defined in 27 V.S.A. § 610, that preserve their affordability for a period of 99 years or longer. ~~For purposes of~~ As used in this section, housing that is rented shall be considered affordable housing when its inhabitants have a gross annual household income that does not exceed 60 percent of the county median income or 60 percent of the standard metropolitan statistical area income if the municipality is located in such an area.

(C) ~~multiplying~~ Multiplied the resulting product by a “price-per-acre” value, which shall be based on the amount that the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets has determined to be the recent, per-acre cost to acquire conservation easements for primary agricultural soils in the same geographic region as the proposed development or subdivision.

(2) Project located outside certain designated ~~growth center~~ areas. If the project tract is not located in a designated growth center area described in subdivision (1) of this subsection, mitigation shall be provided on site in order to preserve primary agricultural soils for present and future agricultural use, with special emphasis on preserving prime agricultural soils. Preservation of primary agricultural soils shall be accomplished through innovative land use design resulting in compact development patterns which will maintain a sufficient acreage of primary agricultural soils on the project tract capable of supporting or contributing to an economic or commercial agricultural operation and shall be enforceable by permit conditions issued by the ~~district commission~~

District Commission. The number of acres of primary agricultural soils to be preserved shall be derived by:

(A) ~~determining~~ Determining the number of acres of primary agricultural soils affected by the proposed development or subdivision; ~~and,~~

(B) ~~multiplying~~ Multiplying the number of affected acres of primary agricultural soils by a factor based on the quality of those primary agricultural soils, and other factors as the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets may deem relevant, including the soil's location; accessibility; tract size; existing agricultural operations; water sources; drainage; slope; the presence of ledge or protected wetlands; the infrastructure of the existing farm or municipality in which the soils are located; and the ~~N.R.C.S.~~ NRCS rating system for Vermont soils. This factor shall result in a ratio of no less than 2:1, but no more than 3:1, protected acres to acres of impacted primary agricultural soils.

(3) Mitigation flexibility.

(A) Notwithstanding the provisions of subdivision ~~(a)~~(1) of this ~~subsection~~ section pertaining to a development or subdivision on primary agricultural soils within a certain designated ~~growth-center areas~~, the ~~district commission~~ District Commission may, in appropriate circumstances, require onsite mitigation with special emphasis on preserving prime agricultural soils if that action is deemed consistent with the agricultural elements of local and regional plans and the goals of 24 V.S.A. § 4302. In this situation, the approved plans must designate specific soils that shall be preserved inside ~~growth-centers~~ a designated area described in subdivision (a)(1) of this section. For projects located within such a designated ~~growth-center area~~, all factors used to calculate suitable mitigation acreage or fees, or some combination of these measures, shall be as specified in this subsection, subject to a ratio of 1:1.

(B) Notwithstanding the provisions of subdivision ~~(a)~~(2) of this ~~subsection~~ section pertaining to a development or subdivision on primary agricultural soils outside a designated ~~growth-center area~~ described in subdivision (a)(1) of this section, the ~~district commission~~ District Commission may, in appropriate circumstances, approve off-site mitigation or some combination of onsite and off-site mitigation if that action is deemed consistent with the agricultural elements of local and regional plans and the goals of 24 V.S.A. § 4302. For projects located outside such a designated ~~growth-center area~~, all factors used to calculate suitable mitigation acreage or fees, or some combination of these measures, shall be as specified in this subsection (a), subject to a ratio of no less than 2:1, but no more than 3:1.

* * *

(b) Easements required for protected lands. All primary agricultural soils preserved for commercial or economic agricultural use by the Vermont ~~housing and conservation board~~ Housing and Conservation Board pursuant to this section shall be protected by permanent conservation easements (grant of development rights and conservation restrictions) conveyed to a qualified holder, as defined in section 821 of this title, with the ability to monitor and enforce easements in perpetuity. Off-site mitigation fees may be used by the Vermont ~~housing and conservation board~~ Housing and Conservation Board and shall be used by the Agency of Agriculture, Food and Markets to pay reasonable staff or transaction costs, or both, of the ~~board and agency of agriculture, food, and markets~~ Board and Agency related to preserve the preservation of primary agricultural soils or to implement section the implementation of subdivision 6086(a)(9)(B) or section 6093 of this title.

Sec. 16b. 10 V.S.A. § 6001(15) is amended to read:

(15) “Primary agricultural soils” means ~~soil map units with the best combination of physical and chemical characteristics that have a potential for growing food, feed, and forage crops, have sufficient moisture and drainage, plant nutrients or responsiveness to fertilizers, few limitations for cultivation or limitations which may be easily overcome, and an average slope that does not exceed 15 percent. Present uses may be cropland, pasture, regenerating forests, forestland, or other agricultural or silvicultural uses. However, the soils must be of a size and location, relative to adjoining land uses, so that those soils will be capable, following removal of any identified limitations, of supporting or contributing to an economic or commercial agricultural operation. Unless contradicted by the qualifications stated in this subdivision, primary agricultural soils shall include important farmland soils map units with a rating of prime, statewide, or local importance as defined by the Natural Resources Conservation Service (N.R.C.S.) of the United States Department of Agriculture (U.S.D.A.)~~ each of the following:

(A) An important farmland soils map unit that the Natural Resources Conservation Service of the U.S. Department of Agriculture (NRCS) has identified and determined to have a rating of prime, statewide, or local importance, unless the District Commission determines that the soils within the unit have lost their agricultural potential. In determining that soils within an important farmland soils map unit have lost their agricultural potential, the Commission shall consider:

(i) impacts to the soils relevant to the agricultural potential of the soil from previously constructed improvements;

(ii) the presence on the soils of a Class I or Class II wetland under chapter 37 of this title;

(iii) the existence of topographic or physical barriers that reduce the accessibility of the rated soils so as to cause their isolation and that cannot reasonably be overcome; and

(iv) other factors relevant to the agricultural potential of the soils, on a site-specific basis, as found by the Commission after considering the recommendation, if any, of the Secretary of Agriculture, Food and Markets.

(B) Soils on the project tract that the District Commission finds to be of agricultural importance, due to their present or recent use for agricultural activities and that have not been identified by the NRCS as important farmland soil map units.

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Agriculture, as amended?, Senator Starr, moved that the proposal of amendment of the Committee on Agriculture, as amended, be amended by inserting a reader guide and three new sections to be numbered 16c, 16d, and 16e to read as follows:

* * * Use Value Appraisal * * *

Sec. 16c. 32 V.S.A. § 3752 is amended to read:

§ 3752. DEFINITIONS

* * *

(9) "Managed forestland" means:

(A) any land, exclusive of any house site, which is at least 25 acres in size and which is under active long-term forest management for the purpose of growing and harvesting repeated forest crops in accordance with minimum acceptable standards for forest management. Such land may include eligible ecologically significant treatment areas in accordance with minimum acceptable standards for forest management and as approved by the Commissioner; or

* * *

Sec. 16d. 32 V.S.A. § 3755 is amended to read:

§ 3755. ELIGIBILITY FOR USE VALUE APPRAISALS

* * *

(b) Managed forestland shall be eligible for use value appraisal under this subchapter only if:

* * *

(3) there has not been filed with the Director an adverse inspection report by the Department stating that the management of the tract is contrary to the forest or conservation management plan, or contrary to the minimum acceptable standards for forest or conservation management. The management activity report shall be on a form prescribed by the Commissioner of Forests, Parks and Recreation in consultation with the Commissioner of Taxes and shall include a detachable section signed by all the owners that shall contain the federal tax identification numbers of all the owners. The section containing federal tax identification numbers shall not be made available to the general public, but shall be forwarded to the Commissioner of Taxes within 30 days after receipt and used for tax administration purposes. If any owner shall satisfy the Department that he or she was prevented by accident, mistake, or misfortune from filing a an initial or revised management plan which is required to be filed on or before October 1, or a management plan update which is required to be filed on or before April 1 of the year in which the plan expires, or a management activity report which is required to be filed on or before February 1 of the year following the year when the management activity occurred, the Department may receive that management plan or management activity report at a later date; provided, however, no initial or revised management plan shall be received later than December 31, and no management plan update shall be received later than one year after April 1 of the year the plan expires, and no management activity report shall be received later than March 1.

Sec. 16e. 2008 Acts and Resolves No. 205, Sec. 7 is amended to read:

Sec. 7. COMMISSIONER OF FORESTS, PARKS AND RECREATION

* * *

(3) If more than 20 percent of the acres to be enrolled are Site 4, plus open not to be restocked, plus ecologically significant not to be managed for timber production, landowners may apply to the ~~commissioner~~ Commissioner for approval. The plans and maps shall be reviewed by the county foresters of the county where the parcel is located. ~~In no situation shall a parcel be approved that does not provide for at least 80 percent of the land classified as Site 1, 2, or 3 to be managed for timber production.~~

* * *

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Agriculture, as amended?, Senators Galbraith and Hartwell moved to amend the proposal of

amendment of the Committee on Agriculture, as amended, in the *second* proposal of amendment by striking out Sec. 17 (Effective Dates) in its entirety and inserting in lieu thereof reader guides and two new sections to be numbered Secs. 17 and 18 to read:

* * * Neonicotinoid Pesticides * * *

Sec. 17. 6 V.S.A. § 1113 is added to read:

§ 1113. NEONICOTINOID PESTICIDES; SAFETY AND USE

(a) The Secretary of Agriculture Food, and Markets shall evaluate whether the use or application of the pesticides imidacloprid, clothianiden, thiamethoxam, donotafuran, or any other member of the nitro group of neonicotinoid pesticides is safe and not harmful to human health or the health of bees and other pollinators in the State.

(b) If the Secretary of Agriculture, Food and Markets determines that the use or application of neonicotinoid pesticides is not safe and is harmful to human health or the health of bees and other pollinators, the Secretary shall, under the authority of section 1103 of this title, prohibit the sale, use, or application of neonicotinoid pesticides in the State. A prohibition under this section may apply to a type or types of neonicotinoid pesticides or to neonicotinoid pesticides as a class.

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

This section and Secs. 12 (AAFM emergency authority), 13 (captive deer testing), 14 (corrective actions; agricultural water quality), and 17 (neonicotinoid pesticides) shall take effect on passage. All other sections shall take effect on July 1, 2014.

Thereupon, pending the question, Shall the proposal of amendment of the Committee on Agriculture be amended as recommended by Senators Galbraith and Hardwell?, Senator Galbraith moved to amend his proposal of amendment by striking out Sec. 17 in its entirety and inserting in lieu thereof a new Sec. 17 to read as follows:

Sec. 17. NEONICOTINOID PESTICIDES; SAFETY AND USE

The Secretary of Agriculture Food, and Markets shall evaluate whether the use or application of the pesticides imidacloprid, clothianiden, thiamethoxam, donotafuran, or any other member of the nitro group of neonicotinoid pesticides is safe and not harmful to human health or the health of bees and other pollinators in the State.

Which was agreed to.

Thereupon, the question, Shall the proposal of amended of the Committee on Agriculture be amended as recommended by Senators Galbraith and Hartwell?, was agreed to.

Thereupon, the pending question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Agriculture, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 29. Nays 0.

Senator Collins having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Bray, Campbell, Collins, Cummings, Doyle, Flory, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Zuckerman.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 695, H. 870, H. 892, H. 893, H. 894.

Message from the House No. 79

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 237. An act relating to civil forfeiture proceedings in cases of animal cruelty.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 220. An act relating to furthering economic development.

The Speaker has appointed as members of such committee on the part of the House:

Rep. Botzow of Pownal
Rep. Marcotte of Coventry
Rep. Kitzmiller of Montpelier.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 234. An act relating to Medicaid coverage for home telemonitoring services.

And has adopted the same on its part.

Adjournment

On motion of Senator Baruth, the Senate adjourned until three o'clock and thirty minutes in the afternoon.

Afternoon

The Senate was called to order by the President.

Committees of Conference Appointed

H. 501.

An act relating to operating a motor vehicle under the influence of alcohol or drugs.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Nitka
Senator Sears
Senator Benning

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 790.

An act relating to Reach Up eligibility.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Ayer
Senator Nitka
Senator Lyons

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Rules Suspended; Bill Passed in Concurrence with Proposals of Amendment

H. 869.

Pending entry on the Calendar for action tomorrow, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous agricultural subjects.

Was placed on all remaining stages of its passage in concurrence with proposals of amendment forthwith.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 314.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to miscellaneous amendments to laws related to motor vehicles.

Was taken up for immediate consideration.

Senator Flory, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House proposal of amendment, with the following amendments thereto:

First: By striking out Sec. 11 in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. 23 V.S.A. § 704 is amended to read:

§ 704. QUALIFICATIONS FOR TRAINING SCHOOL LICENSE

~~Each applicant in order to~~ To qualify for a driver's training school license, ~~each new and renewal applicant shall meet the following requirements:~~

* * *

(3) ~~provide evidence that he or she maintains~~ maintain bodily injury and property damage liability insurance on each motor vehicle being used in driver training, insuring the liability of the driver training school and the operator of each motor vehicle for each instructor and of any person while using any such motor vehicle with the permission of the named insured in at least the following amount: \$300,000.00 for bodily injury or death of one person in any one accident and, subject to said limit for one person, \$500,000.00 for bodily injury or death of two or more persons in any one accident, and \$100,000.00 for damage to property of others in any one accident. ~~Evidence of such insurance coverage shall be in the form of a certificate from an insurance company authorized to do business in this state filed with the commissioner setting forth the amount of coverage and providing that the policy of insurance shall be noncancelable except after 15 days' written notice to the commissioner;~~

* * *

Second: In Sec. 40, 23 V.S.A. § 1095b, in subdivision (c)(3), by striking out the following: "for a first conviction, and shall have two points assessed for a second or subsequent conviction within a two-year period"

Third: In Sec. 41, 23 V.S.A. § 2502, by striking out subdivision (a)(1)(LL)(iii) in its entirety.

Fourth: By inserting a new section to be Sec. 42a to read as follows:

Sec. 42a. PUBLIC EDUCATION CAMPAIGN

(a) To inform highway users of the requirements of Sec. 40 of this act (prohibition on handheld use of portable electronic devices while driving) and the October 1, 2014 effective date of Sec. 40, the Agency shall conduct a public education campaign to commence no later than August 1, 2014.

(b) At a minimum, the Agency shall:

(1) notify media outlets throughout the State of the prohibition and its effective date;

(2) update its website and the website of the Department of Motor Vehicles to provide notice of the prohibition and its effective date; and

(3) install signs and variable message boards at locations within highway rights-of-way designated by the Agency which inform highway users of the prohibition and its effective date. Such signs and boards shall conform to the Manual on Uniform Traffic Control Devices and any other applicable federal law.

Fifth: In Sec. 43 (effective dates), by striking out subsections (b) and (c) in their entirety and inserting in lieu thereof the following:

(b) Secs. 39–42 (use of portable electronic device while driving) shall take effect on October 1, 2014.

(c) All other sections shall take effect on July 1, 2014.

*RICHARD T. MAZZA
MARGARET K FLORY*

Committee on the part of the Senate

*DAVID E. POTTER
PATRICK M. BRENNAN
MAXINE JO GRAD*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 25, Nays 4.

Senator Galbraith having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Campbell, Collins, Cummings, Doyle, Flory, French, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Nitka, Pollina, Sirotkin, Snelling, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: *Galbraith, Mullin, Rodgers, Sears.

The Senator absent and not voting was: Bray.

*Senator Galbraith explained his vote as follows:

“Until my constituents have cell phone coverage I will not vote to ban their use.”

Rules Suspended; House Proposal of Amendment Concurred In

S. 263.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to the authority of assistant judges in child support contempt proceedings.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 4 V.S.A. § 36 is amended to read:

§ 36. COMPOSITION OF THE COURT

(a) Unless otherwise specified by law, when in session, a ~~superior court~~ Superior Court shall consist of:

(1) For cases in the ~~civil~~ Civil or ~~family division~~ Family Division, one presiding ~~superior~~ Superior judge and two assistant judges, if available.

(2)(A) For cases in the ~~family division~~ Family Division, except as provided in subdivision (B) of this subdivision (2), one presiding ~~superior judge~~ judicial officer and two assistant judges, if available.

(B) The ~~family court~~ Family Division shall consist of one presiding ~~superior judge~~ judicial officer sitting alone in the following proceedings:

(i) ~~All~~ all juvenile proceedings filed pursuant to 33 V.S.A. chapters 51, 52, and 53 ~~of Title 33~~, including proceedings involving “youthful offenders” pursuant to 33 V.S.A. § 5281, whether the matter originated in the ~~criminal or family division of the superior court~~ Criminal or Family Division of the Superior Court;

(ii) ~~All~~ all guardianship services proceeding for persons proceedings filed pursuant to 18 V.S.A. chapter 215 ~~of Title 18~~;

(iii) ~~All~~ all mental health proceedings filed pursuant to 18 V.S.A. chapters 179, 181, and 185 ~~of Title 18~~;

(iv) ~~All~~ all involuntary sterilization proceedings filed pursuant to 18 V.S.A. chapter 204 ~~of Title 18~~;

(v) ~~All~~ all care for persons with developmental disabilities proceedings filed pursuant to 18 V.S.A. chapter 206 ~~of Title 18~~; and

(vi) All proceedings specifically within the jurisdiction of the office of magistrate except child support contempt proceedings held pursuant to a magistrate's jurisdiction under subdivision 461(a)(1) of this title;

(C) Use of the term "judicial officer" in subdivisions (A) and (B) of this subsection shall not be construed to expand a judicial officer's subject matter jurisdiction or conflict with the authority of the Chief Justice or Administrative Judge to make special assignments pursuant to section 22 of this title.

* * *

Sec. 2. 3 V.S.A. § 221 is added to read:

§ 221. HEARING OFFICERS; RULES

(a) The Secretary of Administration shall adopt a rule to establish guidelines and oversight for hearing officers in the Executive Branch. As used in this section, "hearing officer" means a person employed by the State of Vermont whose exclusive duty is to resolve contested cases when a decision of an Executive Branch agency is challenged.

(b) The rule adopted pursuant to this subsection shall include provisions addressing the following topics:

(1) The rule shall include ethical standards for hearing officers. The ethical standards:

(A) may be based on the Model Code of Judicial Conduct for State Administrative Law Judges developed by the National Association of Administrative Law Judiciary;

(B) shall be made readily accessible to the public and to parties in administrative proceedings; and

(C) shall include provisions related to bias, impartiality and the appearance of impartiality, conflicts of interest, recusal and disqualification, confidentiality, and ex parte communications.

(2) The rule shall require the agency or department that employs the hearing officer to designate procedures for the receipt, consideration, and determination of complaints about the conduct of hearing officers. The procedures shall be provided to all parties in the matter.

(3) The rule shall ensure that all parties in proceedings presided over by a hearing officer are provided with a copy of the rules of procedure that apply to the proceedings. The rules shall prominently and specifically describe any appeal rights a party has and the procedure for filing an appeal.

Sec. 3. HEARING OFFICERS; REPORT

(a) On or before December 15, 2014, the Commissioner of Human Resources shall report to the House and Senate Committees on Judiciary and on Government Operations on the current and potential use and oversight of hearing officers in Vermont State government. The report shall:

(1) identify all State employees and contractors who function in whole or in part as hearing officers;

(2) analyze the feasibility and costs of expanding the rule adopted pursuant to 3 V.S.A. § 221 to all State employees and contractors who function in whole or in part as hearing officers; and

(3) analyze the feasibility and costs of providing education and training to:

(A) hearing officers covered by the rule adopted pursuant to 3 V.S.A. § 221; and

(B) all State employees and contractors who function in whole or in part as hearing officers.

(b) As used in this section:

(1) “Education and training” shall include content related to:

(A) the importance to the proceedings of fairness, impartiality, and the appearance of impartiality;

(B) the rules of evidence;

(C) legal writing, reasoning, and decision making;

(D) the ethical standards established pursuant to 3 V.S.A. § 221(b)(1);

(E) confidentiality; and

(F) the participation of pro se parties.

(2) “Hearing officer” means a person employed or contracted on a full-time or part-time basis by the State of Vermont whose duties include resolving contested cases when a decision of an Executive Branch agency is challenged.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred in With an Amendment

H. 413.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to the Uniform Collateral Consequences of Conviction Act.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

By striking out the following: “July 1, 2015” and inserting in lieu thereof the following: January 1, 2016

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment, as follows;

First: In Sec 4, 13 V.S.A. § 8004(a)(1)(B), by striking out the following: “November 1, 2014” and inserting in lieu thereof the following: January 1, 2016

Second: In Sec 4, 13 V.S.A. § 8004(a) (1)(C), by striking out the following “July 1” and inserting in lieu thereof the following: January 1

Which was agreed to.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 578.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with the following amendment thereto:

In Sec. 1, 24 V.S.A. § 4753, in subsection (b), by striking out the second sentence in its entirety and inserting in lieu thereof a new second sentence to read:

These funds shall be administered by the Bond Bank on behalf of the State, except that: ~~the fund~~ Fund shall be administered by VEDA concerning loans to privately owned water systems under subdivision (a)(3) of this section; and the Fund may be administered by a community development financial institution, as that term is defined in 12 U.S.C. § 4702, that is contracted with by the State for the purpose of providing loans to individuals for failed wastewater systems and potable water supplies under subdivision (a)(10) of this section.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 646.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to unemployment insurance.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with the following amendment thereto:

By striking out Sec. 10 in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. 21 V.S.A. § 1344 is amended to read:

§ 1344. DISQUALIFICATIONS

(a) An individual shall be disqualified for benefits:

* * *

(2) For any week benefits are claimed, except as provided in subdivision (a)(3) of this section, until he or she has presented evidence to the satisfaction of the Commissioner that he or she has performed services in employment for a bona fide employer and has had earnings in excess of six times his or her weekly benefit amount if the Commissioner finds that such individual is unemployed because:

(A) He or she has left the employ of his or her last employing unit voluntarily without good cause attributable to such employing unit. An individual shall not suffer more than one disqualification by reason of such

separation. However, an individual shall not be disqualified for benefits if the individual left such employment to accompany a spouse who:

(i) is on active duty with the U.S. Armed Forces and is required to relocate due to permanent change of station orders, activation orders, or unit deployment orders, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employment unit; or

(ii) holds a commission in the foreign service of the United States and is assigned overseas, and when such relocation would make it impractical or impossible, as determined by the Commissioner, for the individual to continue working for such employment unit.

* * *

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; Proposal of Amendment

H. 596.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to the conversion of assets of a nonprofit hospital.

Was taken up for immediate consideration.

Senator Ashe, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Principles * * *

Sec. 1. PRINCIPLES FOR HEALTH CARE FINANCING

The General Assembly adopts the following principles to guide the financing of health care in Vermont:

(1) All Vermont residents have the right to high-quality health care.

(2) Vermont residents shall finance Green Mountain Care through taxes that are levied equitably, taking into account an individual's ability to pay and the value of the health benefits provided.

(3) As provided in 33 V.S.A. § 1827, Green Mountain Care shall be the payer of last resort for Vermont residents who continue to receive health care

through plans provided by an employer, by another state, by a foreign government, or as a retirement benefit.

(4) Vermont's system for financing health care shall raise revenue sufficient to provide medically necessary health care services to all enrolled Vermont residents, including maternity and newborn care, pediatric care, vision and dental care for children, surgery and hospital care, emergency care, outpatient care, treatment for mental health conditions, and prescription drugs.

* * * Vermont Health Benefit Exchange * * *

Sec. 2. 33 V.S.A. § 1803 is amended to read:

§ 1803. VERMONT HEALTH BENEFIT EXCHANGE

* * *

(b)(1)(A) The Vermont Health Benefit Exchange shall provide qualified individuals and qualified employers with qualified health benefit plans, including the multistate plans required by the Affordable Care Act, with effective dates beginning on or before January 1, 2014. The Vermont Health Benefit Exchange may contract with qualified entities or enter into intergovernmental agreements to facilitate the functions provided by the Vermont Health Benefit Exchange.

* * *

(4) To the extent permitted by the U.S. Department of Health and Human Services, the Vermont Health Benefit Exchange shall permit qualified employers to purchase qualified health benefit plans through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

* * *

Sec. 3. 33 V.S.A. § 1811(b) is amended to read:

(b)(1) No person may provide a health benefit plan to an individual ~~or small employer~~ unless the plan is offered through the Vermont Health Benefit Exchange and complies with the provisions of this subchapter.

(2) To the extent permitted by the U.S. Department of Health and Human Services, a small employer or an employee of a small employer may purchase a health benefit plan through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

(3) No person may provide a health benefit plan to an individual or small employer unless the plan complies with the provisions of this subchapter.

Sec. 4. PURCHASE OF SMALL GROUP PLANS DIRECTLY FROM CARRIERS

To the extent permitted by the U.S. Department of Health and Human Services and notwithstanding any provision of State law to the contrary, the Department of Vermont Health Access shall permit employers purchasing qualified health benefit plans on the Vermont Health Benefit Exchange to purchase the plans through the Exchange website, through navigators, by telephone, or directly from a health insurer under contract with the Vermont Health Benefit Exchange.

* * * Health Insurance Rate Review * * *

Sec. 5. 8 V.S.A. § 4062(h) is amended to read:

(h)(1) ~~This~~ The authority of the Board under this section shall apply only to the rate review process for policies for major medical insurance coverage and shall not apply to the policy forms for major medical insurance coverage or to the rate and policy form review process for policies for specific disease, accident, injury, hospital indemnity, dental care, vision care, disability income, long-term care, student health insurance coverage, or other limited benefit coverage; to Medicare supplemental insurance; or to benefit plans that are paid directly to an individual insured or to his or her assigns and for which the amount of the benefit is not based on potential medical costs or actual costs incurred.

(2) The policy forms for major medical insurance coverage, as well as the policy forms, premium rates, and rules for the classification of risk for the other lines of insurance described in subdivision (1) of this subsection shall be reviewed and approved or disapproved by the Commissioner. In making his or her determination, the Commissioner shall consider whether a policy form, premium rate, or rule is affordable and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this State. The Commissioner shall make his or her determination within 30 days after the date the insurer filed the policy form, premium rate, or rule with the Department. At the expiration of the 30-day period, the form, premium rate, or rule shall be deemed approved unless prior to then it has been affirmatively approved or disapproved by the Commissioner or found to be incomplete. The Commissioner shall notify an insurer in writing if the insurer files any form, premium rate, or rule containing a provision that does not meet the standards expressed in this subsection. In such notice, the Commissioner shall state that a hearing will be granted within 20 days upon the insurer's written request.

(3) Medicare supplemental insurance policies shall be exempt only from the requirement in subdivisions (a)(1) and (2) of this section for the Green Mountain Care Board's approval on rate requests and shall be subject to the remaining provisions of this section.

* * * Green Mountain Care * * *

Sec. 6. 33 V.S.A. § 1827 is amended to read:

§ 1827. ADMINISTRATION; ENROLLMENT

* * *

(e) [Repealed.]

(f) Green Mountain Care shall be the ~~secondary~~ payer of last resort with respect to any health service that may be covered in whole or in part by any other health benefit plan, including Medicare, private health insurance, retiree health benefits, or federal health benefit plans offered by the ~~Veterans' Administration, by the military,~~ or to federal employees.

* * *

Sec. 7. CONTRACT FOR ADMINISTRATION OF CERTAIN ELEMENTS OF GREEN MOUNTAIN CARE; REPORT

On or before January 15, 2015, the Secretary of Human Services shall report to the General Assembly the elements of Green Mountain Care, such as claims administration and provider relations, for which the Agency plans to solicit bids for administration pursuant to 33 V.S.A. § 1827(a), as well as the dates by which the Agency will solicit bids for administration of those elements and by which it will award the contracts.

Sec. 8. CONCEPTUAL WAIVER APPLICATION

On or before November 15, 2014, the Secretary of Administration or designee shall submit to the federal Center for Consumer Information and Insurance Oversight a conceptual waiver application expressing the intent of the State of Vermont to pursue a Waiver for State Innovation pursuant to Sec. 1332 of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, and the State's interest in commencing the application process.

* * * Green Mountain Care Board * * *

Sec. 9. 2000 Acts and Resolves No. 152, Sec. 117b, as amended by 2013 Acts and Resolves No. 79, Sec. 42, is further amended to read:

Sec. 117b. MEDICAID COST SHIFT REPORTING

* * *

(b) Notwithstanding 2 V.S.A. § 20(d), annually on or before ~~December~~ January 15, the ~~chair~~ Chair of the Green Mountain Care Board, the Commissioner of Vermont Health Access, and each acute care hospital shall file with the Joint Fiscal Committee, the House Committee on Health Care, and the Senate Committee on Health and Welfare, in the manner required by the Joint Fiscal Committee, such information as is necessary to carry out the purposes of this section. Such information shall pertain to the provider delivery system to the extent it is available. The Green Mountain Care Board may satisfy its obligations under this section by including the information required by this section in the annual report required by 18 V.S.A. § 9375(d).

* * *

Sec. 10. 2013 Acts and Resolves No. 79, Sec. 5b is amended to read:

Sec. 5b. STANDARDIZED HEALTH INSURANCE CLAIMS AND EDITS

(a)(1) As part of moving away from fee-for-service and toward other models of payment for health care services in Vermont, the Green Mountain Care Board, in consultation with the Department of Vermont Health Access, health care providers, health insurers, and other interested stakeholders, shall develop a complete set of standardized edits and payment rules based on Medicare or on another set of standardized edits and payment rules appropriate for use in Vermont. The Board and the Department shall adopt by rule the standards and payment rules that health care providers, health insurers, and other payers shall use beginning on January 1, ~~2015~~ 2016 and that Medicaid shall use beginning on January 1, 2017.

* * *

* * * Non-Emergency Walk-In Centers * * *

Sec. 11. 18 V.S.A. § 9492 is added to read:

§ 9492. NON-EMERGENCY WALK-IN CENTERS; NONDISCRIMINATION

(a) A non-emergency walk-in center shall accept patients of all ages for diagnosis and treatment of illness, injury, and disease during all hours that the center is open to see patients. A non-emergency walk-in center shall not discriminate against any patient or prospective patient on the basis of insurance status or type of health coverage.

(b) As used in this section, “non-emergency walk-in center” means an outpatient or ambulatory diagnostic or treatment center at which a patient

without making an appointment may receive medical care that is not of an emergency, life threatening nature. The term includes facilities that are self-described as urgent care centers, retail health clinics, and convenient care clinics.

* * * Pharmacy Benefit Managers * * *

Sec. 12. 18 V.S.A. § 9472 is amended to read:

§ 9472. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES WITH RESPECT TO HEALTH INSURERS

(c) ~~Unless the contract provides otherwise,~~ a A pharmacy benefit manager that provides pharmacy benefit management for a health plan shall:

* * *

(4) ~~If Unless the contract provides otherwise,~~ if the pharmacy benefit manager derives any payment or benefit for the dispensation of prescription drugs within the ~~state~~ State based on volume of sales for certain prescription drugs or classes or brands of drugs within the ~~state~~ State, pass that payment or benefit on in full to the health insurer.

* * *

(d) At least annually, a pharmacy benefit manager that provides pharmacy benefit management for a health plan shall disclose to the health insurer, the Department of Financial Regulation, and the Green Mountain Care Board the aggregate amount the pharmacy benefit manager retained on all claims charged to the health insurer for prescriptions filled during the preceding calendar year in excess of the amount the pharmacy benefit manager reimbursed pharmacies.

(e) Compliance with the requirements of this section is required for pharmacy benefit managers entering into contracts with a health insurer in this ~~state~~ State for pharmacy benefit management in this ~~state~~ State.

Sec. 13. 18 V.S.A. § 9473 is redesignated to read:

§ 9473 9474. ENFORCEMENT

Sec. 14. 18 V.S.A. § 9473 is added to read:

§ 9473. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES WITH RESPECT TO PHARMACIES

(a) Within 14 calendar days following receipt of a pharmacy claim, a pharmacy benefit manager or other entity paying pharmacy claims shall do one of the following:

(1) Pay or reimburse the claim.

(2) Notify the pharmacy in writing that the claim is contested or denied. The notice shall include specific reasons supporting the contest or denial and a description of any additional information required for the pharmacy benefit manager or other payer to determine liability for the claim.

(b) A pharmacy benefit manager or other entity paying pharmacy claims shall not:

(1) impose a higher co-payment for a prescription drug than the co-payment applicable to the type of drug purchased under the insured's health plan;

(2) impose a higher co-payment for a prescription drug than the maximum allowable cost for the drug; or

(3) require a pharmacy to pass through any portion of the insured's co-payment to the pharmacy benefit manager or other payer.

Sec. 15. 9 V.S.A. § 2466a is amended to read:

§ 2466a. CONSUMER PROTECTIONS; PRESCRIPTION DRUGS

(a) A violation of 18 V.S.A. § 4631 shall be considered a prohibited practice under section 2453 of this title.

(b) As provided in 18 V.S.A. § ~~9473~~ 9474, a violation of 18 V.S.A. § 9472 or ~~9473~~ shall be considered a prohibited practice under section 2453 of this title.

* * *

* * * Adverse Childhood Experiences * * *

Sec. 16. ADVERSE CHILDHOOD EXPERIENCES; REPORT

On or before January 15, 2015, the Director of the Blueprint for Health and the Chair of the Green Mountain Care Board or their designees shall review evidence-based materials on the relationship between adverse childhood experiences (ACEs) and population health and recommend to the General Assembly whether, how, and at what expense ACE-informed medical practice should be integrated into Blueprint practices and community health teams. The Director and the Chair or their designees shall also develop a methodology by which the Blueprint will evaluate emerging health care delivery quality initiatives to determine whether, how, and to what extent they should be integrated into the Blueprint for Health.

* * * Reports * * *

Sec. 17. CHRONIC CARE MANAGEMENT; BLUEPRINT; REPORT

On or before October 1, 2014, the Secretary of Administration or designee shall recommend to the House Committees on Health Care and on Human

Services and the Senate Committees on Health and Welfare and on Finance whether and to what extent to increase payments to health care providers and community health teams for their participation in the Blueprint for Health and whether to expand the Blueprint to include additional services or chronic conditions such as obesity, mental conditions, and oral health.

Sec. 18. HEALTH INSURER SURPLUS; LEGAL CONSIDERATIONS; REPORT

The Department of Financial Regulation, in consultation with the Office of the Attorney General, shall identify the legal and financial considerations involved in the event that a private health insurer offering major medical insurance plans, whether for-profit or nonprofit, ceases doing business in this State, including appropriate disposition of the insurer's surplus funds. On or before July 15, 2014, the Department shall report its findings to the House Committees on Health Care, on Commerce, and on Ways and Means and the Senate Committees on Health and Welfare and on Finance.

Sec. 19. INDEPENDENT PHYSICIAN PRACTICES; REPORT

On or before December 1, 2014, the Secretary of Administration or designee shall recommend to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance whether the State should prohibit health insurers from reimbursing physicians in independent practices at lower rates than those at which they reimburse physicians in hospital-owned practices for providing the same services.

Sec. 20. INCREASING MEDICAID RATES; REPORT

On or before January 15, 2015, the Secretary of Administration or designee, in consultation with the Green Mountain Care Board, shall report to the House Committees on Health Care and on Ways and Means and the Senate Committees on Health and Welfare and on Finance regarding the impact of increasing Medicaid reimbursement rates to providers to match Medicare rates. The issues to be addressed in the report shall include:

- (1) the amount of State funds needed to effect the increase;
- (2) the projected impact of the increase on health insurance premiums; and
- (3) to the extent that premium reductions would likely result in a decrease in the aggregate amount of federal premium tax credits for which Vermont residents would be eligible, whether there are specific timing considerations for the increase as it relates to Vermont's application for a Waiver for State Innovation pursuant to Section 1332 of the Patient Protection and Affordable Care Act.

Sec. 21. HEALTH INFORMATION TECHNOLOGY AND INTELLECTUAL PROPERTY; REPORT

On or before October 1, 2014, the Office of the Attorney General, in consultation with the Vermont Information Technology Leaders, shall report to the House Committees on Health Care, on Commerce and Economic Development, and on Ways and Means and the Senate Committees on Health and Welfare, on Economic Development, Housing and General Affairs, and on Finance regarding the need for intellectual property protection with respect to Vermont's Health Information Exchange and other health information technology initiatives, including the potential for receiving patent, copyright, or trademark protection for health information technology functions, the estimated costs of obtaining intellectual property protection, and projected revenues to the State from protecting intellectual property assets or licensing protected interests to third parties.

* * * Health Care Workforce Symposium * * *

Sec. 22. HEALTH CARE WORKFORCE SYMPOSIUM

On or before January 15, 2015, the Secretary of Administration or designee, in collaboration with the Vermont Medical Society, the Vermont Association of Hospitals and Health Systems, and the Vermont Assembly of Home Health and Hospice Agencies, shall organize and conduct a symposium to address the impacts of moving toward universal health care coverage on Vermont's health care workforce and on its projected workforce needs.

* * * Global Hospital Budgets * * *

Sec. 23. GREEN MOUNTAIN CARE BOARD; GLOBAL HOSPITAL PILOT PROJECTS

(a) The Green Mountain Care Board may develop and implement global budgeting pilot projects involving multiple payers at up to two hospitals in this State. The Board shall ensure that a hospital's existing or pending contracts with accountable care organizations and any shared savings or other financial arrangements related to such contracts are accurately accounted for when establishing global hospital budgets pursuant to this section.

(b) The Green Mountain Care Board may take such steps as are necessary to include all payers in the global hospital budget pilot projects, including negotiating with the federal Center for Medicare & Medicaid Innovation to involve Medicare and Medicaid.

(c) In the event that at least one pilot project authorized under this section is being developed or implemented on or before January 15, 2015, on that date and quarterly thereafter through January 2017, the Green Mountain Care Board

shall provide updates to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, and the Health Care Oversight Committee regarding the development and implementation of the global hospital budget pilot projects authorized by this section, including any effect on hospital budget growth, any impact on care delivery and patient outcomes, and recommendations about whether to continue global hospital budgets at the participating hospital or hospitals and whether to implement global hospital budgets for other Vermont hospitals.

* * * Repeal * * *

Sec. 24. REPEAL

3 V.S.A. § 635a (legislators and session-only legislative employees eligible to purchase State Employees Health Benefit Plan at full cost) is repealed.

* * * Effective Dates * * *

Sec. 25. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) notwithstanding 1 V.S.A. § 214, Sec. 24 (repeal of legislator eligibility to purchase State Employees Health Benefit Plan) shall take effect on passage and shall apply retroactively to January 1, 2014, except that members and session-only employees of the General Assembly who were enrolled in the State Employees Health Benefit Plan on January 1, 2014 may continue to receive coverage under the plan through the remainder of the 2014 plan year; and

(2) Sec. 14 (18 V.S.A. § 9473; pharmacy benefit managers) shall take effect on July 1, 2014 and shall apply to contracts entered into or renewed on or after that date.

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

An act relating to miscellaneous amendments to health care laws.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the proposal of amendment of the Committee on Finance was agreed to and third reading of the bill was ordered.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 184, S. 263, S. 314, H. 413, H. 501, H. 578, H. 646, H. 790, H. 869.

Adjournment

On motion of Senator Baruth, the Senate adjourned until seven o'clock and in the evening.

Evening

The Senate was called to order by the President.

Rules Suspended; Remaining Stages; Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged**H. 596.**

Pending entry on the Calendar for action, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to the conversion of assets of a nonprofit hospital.

Was placed on all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, pending third reading of the bill, Senator Benning moved to amend the Senate proposal of amendment in Sec. 1, principles for health care financing, by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) To the extent that Green Mountain Care is financed through taxes, including mandatory premiums, the taxes shall be levied equitably, taking into account an individual's ability to pay and the value of the health benefits provided.

Which was agreed.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a division of the Senate Yeas 18, Nays 5.

Thereupon, on motion of Senator Baruth, the rules were suspended, and the bill was ordered messaged to the House forthwith.

Rules Suspended; Proposal of Amendment; Third Reading Ordered**H. 876.**

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to making miscellaneous amendments and technical corrections to education laws.

Was taken up for immediate consideration on a division of the Senate Yeas 21, Nays 5.

Senator McCormack, for the Committee on Education, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 8, 16 V.S.A. § 176, in subdivision (d)(1) and in Sec. 9, 16 V.S.A. § 176a, in subdivision (e)(1), by striking out the word “Programs” and inserting in lieu thereof the following: Nondegree-granting and non-credit granting programs

Second: By striking out Sec. 10 (16 V.S.A. § 1075; residency) in its entirety and inserting in lieu thereof a new section to be Sec. 10 to read as follows:

Sec. 10. [Deleted.]

Third: In Sec. 19, 16 V.S.A. § 1542(a), in subdivision (5), after the word “employees” by inserting the words employees and of

Fourth: In Sec. 23, in 16 V.S.A. § 1551, by striking out subsection (b) in its entirety and inserting in lieu thereof the following: * * *

Fifth: By striking out Sec. 29 (16 V.S.A. § 2282(b); tuition) in its entirety and inserting in lieu thereof a new Sec. 29 to read:

Sec. 29. 16 V.S.A. § 2282(b) is amended to read:

(b) ~~Except for those attending the college of medicine, the amount of tuition for eligible Vermont residents for attendance during each academic year shall be not more than 40 percent of the tuition charged to nonresident students. Tuition for eligible Vermont residents for shorter terms shall be no more per credit hour than that charged eligible Vermont residents during the academic year~~ A Vermont resident who is enrolled in the University as a full-time undergraduate student shall not pay tuition in an amount that exceeds 40 percent of the tuition charged to a nonresident student.

Sixth: In Sec. 30, 16 V.S.A. § 2902, subsection (a), by striking out the final sentence and inserting in lieu thereof a new final sentence to read: The tiered system of supports shall, at a minimum, include an educational support team, instructional and behavioral interventions, and accommodations that are available as needed for any student who requires support beyond what can be provided in the general education classroom.

Seventh: By striking out Sec. 34 (expanded learning opportunities; study) in its entirety and inserting in lieu thereof a new Sec. 34 to read:

Sec. 34. WORKING GROUP ON EQUITY AND ACCESS IN EXPANDED LEARNING TIME; REPORT

(a) Creation. The Prekindergarten-16 Council shall create a working group from among its membership to review and evaluate issues of equity in and access to Vermont's expanded learning programs, including afterschool and summer programs. The Working Group shall obtain testimony from existing providers of extended learning programs, including the Governor's Institutes of Vermont and the Vermont Youth Conservation Corps. In particular, the Working Group shall identify:

(1) ways to increase connections between schools and afterschool and summer learning programs;

(2) ways to coordinate school-run programs and programs sponsored by community-based and statewide organizations;

(3) areas of the State with limited or inequitable access to expanded learning programs, models successfully serving populations in those areas, and barriers to operating programs in those areas;

(4) the key elements of afterschool and summer learning programs that should be encouraged by State policy decisions in order to:

(A) ensure that programs are of the highest quality;

(B) contribute to more effective school-year approaches to educating underserved learners in Vermont and provide program content that reflects Vermont's educational and workforce development priorities;

(C) determine how a more comprehensive statewide strategy to promote high-quality afterschool and summer learning programs could be implemented over time;

(D) consider how changes to the school calendar may affect time available for learning; and

(E) identify how best to coordinate and augment existing funding streams for afterschool and summer learning programs and ensure that programs are cost-effective, effective in reaching and producing outcomes for targeted populations, and nonduplicative.

(b) Report. On or before December 31, 2014, the Working Group shall report to the House and Senate Committees on Education with its findings and any recommendations for legislative action.

Eighth: By striking out Sec. 36 (16 V.S.A. § 323; audits) in its entirety and inserting in lieu thereof a new Sec. 36 to read:

Sec. 36. [Deleted.]

Ninth: By Striking out Sec. 37 (effective date) in its entirety and inserting in lieu thereof 29 new sections to be Secs. 37 through 65 and related reader assistance headings to read:

* * * Dual Enrollment Program; Privately Funded Students in
Approved Independent Schools * * *

Sec. 37. 16 V.S.A. § 944 is amended to read:

§ 944. DUAL ENROLLMENT PROGRAM

* * *

(b) Students.

(1) A Vermont resident who has completed grade 10 but has not received a high school diploma is eligible to participate in the Program if:

(A) the student:

(i) is enrolled in:

(I) a Vermont public school, including a Vermont career technical center;

(II) a public school in another state or an approved independent school that is designated as the public secondary school for the student's district of residence; or

(III) ~~an approved~~ a nonsectarian- or sectarian-approved independent school in Vermont ~~to which the student's district of residence pays publicly funded tuition on behalf of the student;~~

(ii) is assigned to a public school through the High School Completion Program; or

(iii) is a home study student;

* * *

(f) Tuition and funding.

* * *

(4) Notwithstanding any other provision of this subsection (f), a district of residence shall not be responsible for payments under this subsection on behalf of a student enrolled in an approved independent school for whom tuition is privately paid; rather, if the approved independent school chooses to participate in the Dual Enrollment Program on behalf its privately tuitioned students, then the independent school shall pay the school district's portion of a student's dual enrollment tuition as calculated under this subsection.

* * *

* * * Technology; Innovation in Education Task Force * * *

Sec. 38. VERMONT INNOVATION IN EDUCATION TASK FORCE;
REPORT

(a) There is created a Vermont Innovation in Education Task Force to examine barriers to the effective use of technology in Vermont's schools and to support access to that technology through, among other things, the dissemination of best practices and the potential creation of a grant program.

(b) The Task Force shall be composed of the following members:

(1) an individual employed as a director of technology in a Vermont public school appointed by the Secretary of Education;

(2) two at-large members appointed by the Secretary;

(3) an individual employed as a teacher in a Vermont public school appointed by the Vermont-NEA;

(4) an individual employed as a principal in a Vermont public school appointed by the Vermont Principals' Association;

(5) an individual employed as a superintendent in a Vermont public school appointed by the Vermont Superintendents Association; and

(6) an individual employed as a library media specialist in a Vermont public school appointed by the Vermont School Library Association.

(c) The Task Force shall:

(1) examine barriers to the effective use of technology in Vermont's schools and solutions to overcome them, including:

(A) methods to ensure that both current teachers and students enrolled in teacher preparation programs are able to use technology effectively;

(B) strategies to create and procure engaging and cost-effective digital content to inspire Vermont students;

(C) strategies to ensure that all students benefit from access to technology, especially students who face learning challenges;

(D) methods to increase operating efficiencies and enhance learning opportunities, especially in rural areas, through the use of technology; and

(E) best practices to assist districts to prepare students to enter the workforce or pursue postsecondary education or training without the need for remediation; and

(2) consider elements necessary for the creation of a grant program to support the effective use of technology in Vermont's schools, including identification of potential funding sources and the criteria on which awards could be based.

(d) The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

(e) On or before October 1, 2014, the Task Force shall publish on the Agency of Education's website and submit to the Governor and the House and Senate Committees on Education a written report detailing:

(1) the results of its examination under subdivision (c)(1) of this section;

(2) the results of its considerations regarding creation of a grant program; and

(3) any recommendations for legislative action.

(f) The Secretary of Education shall call the first meeting of the Task Force to occur on or before June 1, 2014, at which meeting the members shall select their own chair.

(g) The Task Force shall cease to exist on July 1, 2015.

* * * Privatization of Public Schools * * *

Sec. 39. PRIVATIZATION OF PUBLIC SCHOOLS; MORATORIUM;
REPEAL

(a) Privatization of public school. Notwithstanding the authority of a school district to cease operating an elementary or secondary school and to begin paying tuition on behalf of its resident students, a school district shall not cease operation of a school with the intention, for the purpose, or with the result of having the school building or buildings reopen as an approved independent school serving essentially the same population of students.

(b) State Board approval. The State Board of Education shall not approve an independent school under 16 V.S.A. § 166 if, on or after the effective date of this act, a school district votes to cease operating a school that at the time of the vote serves essentially the same population of students as the independent school proposes to serve and is located in the building or buildings in which the independent school proposes to operate.

(c) Publicly funded tuition. An approved independent school shall not be eligible to receive publicly funded tuition dollars if, on or after the effective date of this act, a school district votes to cease operating a school that at the time of the vote serves essentially the same population of students as the independent school proposes to serve and is located in the building or buildings in which the independent school proposes to operate.

(d) Repeal. This section is repealed on July 1, 2016.

Sec. 40. SECRETARY OF EDUCATION; PRIVATIZATION STUDY; REPORT

(a) The Secretary of Education shall research:

(1) the constitutional and other legal consequences of a school district's decision to cease operating a school with the intention, for the purpose, or with the result of having the school building or buildings reopen as an approved independent school serving essentially the same population of students (privatization); and

(2) the constitutional and other legal consequences if the General Assembly chose to prohibit privatization of public schools.

(b) Among other issues, the Secretary shall examine the Vermont and U.S. Constitutions, federal civil rights law, and the Vermont Supreme Court's decision in Brigham v. State and shall consider issues of delegation of authority and the proper use of State funds.

(c) On or before January 15, 2015, the Secretary shall report the results of the research required by this section to the Senate and House Committees on Education and on Judiciary, together with any recommendations for legislative amendments.

* * * Student Enrollment in School of Former Residency * * *

Sec. 41. 16 V.S.A. § 1093 is amended to read:

§ 1093. NONRESIDENT STUDENTS

(a) A school board may receive into the schools under its charge nonresident students under such terms and restrictions as it deems best and money received for the instruction of the students shall be paid into the school fund of the district.

(b) Notwithstanding subsection (a) of this section, if a student has legal residence in a Vermont school district and is enrolled in and attending a school maintained and operated by that district, and if at any time after completion of the annual census period defined in subdivision 4001(1)(A) of this title the student moves to a different Vermont school district with the intention of remaining there indefinitely as contemplated in subsection 1075(a) of this title, then, after a meeting at which the student, the student's parent or legal guardian if the student is a minor, and representatives of both school districts discuss the educational advantages and disadvantages of the student remaining in the original district, the student or the student's parent or guardian may choose to remain enrolled in the school maintained by the original district for

the remainder of the school year by notifying both school districts of the decision to do so.

(c) Nothing in this section shall be construed to eliminate State or federal requirements for a district to enroll eligible students residing outside the district under the McKinney–Vento Homeless Assistance Act, 42 U.S.C. § 11301 et seq., as may be amended.

* * * Principals; Nonrenewal of Contracts * * *

Sec. 42. 16 V.S.A. § 243 is amended to read:

§ 243. APPOINTMENT; SUPERVISION; RENEWAL; DISMISSAL

(a) Appointment; supervision.

(1) The school board of each school district operating a school, after recommendation by the superintendent, may designate a person as principal for each public school within the district, except that a principal may be selected to serve more than one school. In the case of a career technical education center, only the school board ~~which that~~ operates the center may designate a person as director. ~~For purposes of~~ As used in this section, the word “principal” shall include a principal and the director of career technical education, and the term “public school” shall include a career technical education center.

(2) The superintendent shall supervise each principal within the supervisory union in the performance of duties and the implementation of school-based initiatives. The superintendent shall evaluate a principal during the year in which the principal’s contract shall expire and may evaluate the principal at other times during the contract term. Together with the evaluation provided to the principal in the year in which the contract shall expire, the superintendent shall indicate in writing whether he or she intends to recommend to the school board that the contract be renewed or not renewed. If the superintendent intends to recommend nonrenewal, then the written notification shall also indicate on which of the three categories set forth in subdivision (c)(2) of this section the recommendation is based.

(b) Length of contract. ~~The~~ A principal shall be employed by written contract for a term of not less than one year nor more than three years. Based upon the superintendent’s most recent written evaluation of the principal, a superintendent shall recommend to the school board whether or not to renew the initial and any subsequent contract with a principal.

(c) Renewal and nonrenewal.

~~(1) A principal who has been continuously employed for more than two years in the same position has the right either to have his or her contract renewed; or to receive written notice of nonrenewal at least 90 days before the existing contract expires;~~

(A) on or before February 1, if the principal has been continuously employed for more than two years in the same position;

(B) on or before April 1, if the principal has been continuously employed for two years or less in the same position; and

(C) at least 90 days before the existing contract expires, if the final day of the existing contract is other than June 30.

(2) Nonrenewal may be based upon elimination of the position, unresolved performance deficiencies, or other reasons affecting the educational mission of the district. The written notice shall recite the grounds for nonrenewal. If nonrenewal is based on performance deficiencies, the written notice shall be accompanied by an evaluation performed by the superintendent. At its discretion, any reason other than the elimination of the position then, at its discretion, the school board may allow a period of remediation of performance deficiencies prior to issuance of the written notice its final decision on nonrenewal.

(3) After receiving such a notice of nonrenewal, the principal may request in writing, and shall be granted, a meeting with the school board. Such request shall be delivered within 15 10 calendar days of delivery of notice of nonrenewal, and the meeting shall be held within 15 calendar days of delivery of the request for a meeting. At the meeting, the school board shall explain its position, and the principal shall be allowed to respond. The principal and any member of the board may present written information or oral information through statements of others, and the principal and the board may be represented by counsel. The meeting shall be in executive session unless both parties agree in writing that it be open to the public. After the meeting, the school board shall decide whether or not to offer the principal an opportunity to renew his or her contract. The school board shall issue its decision in writing within five days. The decision of the school board shall be final.

* * *

(e) Inclusion in contract. Every principal's contract shall be deemed to contain the provisions of this section. Any contract provision to the contrary is without effect. Each written contract shall include a reference to chapter 5, subchapter 3 of this title; provided, however, that failure to do so shall not give rise to a private right of action.

(f) Notification by principal. On or before May 1 of the year in which a principal's contract expires, the principal shall notify the school board in writing if he or she intends not to enter into a new contract with the district.

* * * Physical Education and Nutrition Task Force * * *

Sec. 43. PHYSICAL EDUCATION AND NUTRITION TASK FORCE;
REPORT

(a) There is created a Vermont Physical Education and Nutrition Task Force to examine and recommend ways for schools to improve wellness, physical education, activity, and nutrition in Vermont schools.

(b) The Task Force shall be composed of the following members:

(1) a member appointed by the Secretary of Education;

(2) a member appointed by the Commissioner of Health.

(3) an individual employed as a teacher in a Vermont public school appointed by the Vermont National Education Association;

(4) an individual employed as a physical education teacher in a Vermont public school appointed by the Vermont Association for Health, Physical Education, Recreation and Dance;

(5) an individual employed as a food service director in a Vermont public school appointed by the School Nutrition Association of Vermont;

(6) an individual employed as a principal in a Vermont public school appointed by the Vermont Principals' Association;

(7) an individual employed as a superintendent in a Vermont public school appointed by the Vermont Superintendents Association;

(8) an individual employed as a school nurse in a Vermont public school appointed by the Vermont State School Nurses Association;

(9) a representative of the American Heart Association; and

(10) a representative of the American Cancer Society.

(c) The Task Force shall:

(1) examine barriers to good nutrition and to adequate time for physical education, breakfast, and lunch and explore possible solutions to overcome the barriers, including review of:

(A) wellness councils and policies;

(B) minimum time limits for meals;

(C) the availability of snacks and beverages;

(D) the provision of physical education, including minimum instructional time;

(E) other opportunities for physical activity; and

(F) employee wellness; and

(2) recommend and share best practices for Vermont schools.

(d) The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

(e) On or before October 1, 2014, the Task Force shall publish on the Agency of Education's website and submit to the Governor and the House and Senate Committees on Education a written report detailing the results of its examination and any recommendations for legislative action.

(f) The Secretary of Education shall call the first meeting of the Task Force to occur on or before June 1, 2014, at which meeting the members shall select their own chair.

(g) The Task Force shall cease to exist on July 1, 2015

* * * Governance * * *

* * * Intent; Enhanced Opportunity and Efficiency * * *

Sec. 44. INTENT; ENHANCED OPPORTUNITY AND EFFICIENCY

2010 Acts and Resolves No. 153 put Vermont on a path toward voluntary mergers of education governing units – mergers designed both to increase 21st-century educational opportunities and to achieve necessary economies of scale in an age of declining enrollments. It is the General Assembly's intention to maintain the careful balance previously struck between local control and management efficiency, while significantly strengthening the impact of current statute. To that end, this act seeks to substantially increase the incentives of Act 153 and 2012 Acts and Resolves No. 156. In addition, it requires of supervisory unions a new and greater coordination with regard to the business aspects of education. It empowers the Secretary of Education to form supervisory union service regions, regional units that will contract for goods and procure services jointly. Sections that clarify and amend the responsibilities of supervisory unions and school districts will assist the State as larger governing units emerge by supporting operational efficiencies, more equitable deployment of resources, and the sharing of best practices.

* * * Supervisory Union and School District Responsibilities * * *

Sec. 45. 16 V.S.A. § 268 is added to read:

§ 268. DUTIES OF A SUPERVISORY UNION BOARD

A supervisory union board shall:

(1) adopt supervisory union-wide policies, including truancy policies that are consistent with model protocols developed by the Secretary;

(2) adopt a supervisory union-wide curriculum that meets the requirements adopted by the State Board under subdivision 165(a)(3)(B) of this title, by either developing the curriculum or directing the superintendent to assist the member districts to develop it jointly;

(3) on or before June 30 of each year, adopt a supervisory union budget for the ensuing school year;

(4) employ a superintendent pursuant to the provisions of section 270 of this title and evaluate and oversee the performance of the superintendent;

(5) employ all licensed and nonlicensed employees of the supervisory union pursuant to the provisions of section 271 of this title, including a person or persons qualified to provide financial and student data management services for the supervisory union and the member districts;

(6) negotiate with the licensed employees of the supervisory union and school districts, pursuant to chapter 57 of this title, and with other school personnel, pursuant to 21 V.S.A. chapter 22, at the supervisory union level; provided that:

(A) contract terms may vary by district; and

(B) contracts may include terms facilitating arrangements between or among districts to share the services of teachers, administrators, and other school personnel; and

(7) pursuant to criteria established by the State Board, establish and direct the superintendent to implement a plan for receiving and disbursing federal and State funds distributed by the Agency, including funds awarded under P.L. 89-10, the Elementary and Secondary Education Act of 1965, as amended.

Sec. 46. 16 V.S.A. § 269 is added to read:

§ 269. DUTIES OF A SUPERVISORY UNION

(a) A supervisory union shall have sole responsibility to:

(1) provide professional development programs or arrange for the provision of them, or both, for teachers, administrators, and staff within the supervisory union, which may include programs offered solely to one school or other component of the entire supervisory union to meet the specific needs or interests of that component; a supervisory union has the discretion to provide financial assistance outside the negotiated agreements for teachers' professional development activities;

(2) provide special education services on behalf of the member districts and, except as provided in section 144b of this title, compensatory and

remedial services, and provide or coordinate the provision of other educational services as directed by the State Board or local boards;

(3) provide financial and student data management services on behalf of the member districts and perform the districts' business and human resources functions;

(4) provide transportation or contract for the provision of transportation, or both in any districts in which it is offered within the supervisory union;

(5) procure and distribute goods and operational services used by the member districts, including office and classroom supplies and equipment, textbooks, and cleaning materials; and

(6) manage all construction projects within the supervisory union.

(b) A supervisory union shall submit to the board of each member school district, on or before January 15 of each year, a summary report of financial operations of the supervisory union for the preceding school year, an estimate of its financial operations for the current school year, and a preliminary budget for the supervisory union for the ensuing school year. This requirement shall not apply to a supervisory district. For each school year, the report shall show the actual or estimated amount expended by the supervisory union for special education services, including:

(1) a breakdown of that figure showing the amount paid by each school district within the supervisory union; and

(2) a summary of the services provided by the supervisory union's use of the expended funds;

(c) A supervisory union may provide other appropriate services if requested by a member district, including grant writing and fundraising.

(d) Notwithstanding the requirement in subsection (a) of this section that a supervisory union is solely responsible for the duties set forth in that subsection, if a supervisory union determines that services in subdivision (a)(2), (4), (5), or (6) would be provided more efficiently and effectively in whole or in part at the district level or in some other manner, then it may ask the Secretary to grant it a waiver from the requirement.

Sec. 47. 16 V.S.A. § 241 is redesignated to read:

§ ~~241~~ 270. APPOINTMENT OF SUPERINTENDENT

Sec. 48. 16 V.S.A. § 242 is redesignated and amended to read:

§ ~~242~~ 271. DUTIES OF SUPERINTENDENTS

The superintendent shall be the chief executive officer for the supervisory union board and for each school board within the supervisory union, and shall:

* * *

(6) arrange for the provision of the professional training required in subsection 561(b) of this title; ~~and~~

(7)(A) ensure implementation of the supervisory union-wide curriculum adopted by the supervisory union board;

(B) assist each school in the supervisory union to follow the curriculum; and

(C) if students residing in the supervisory union receive their education outside the supervisory union, periodically review the compatibility of the supervisory union's curriculum with those other schools;

(8) perform all the duties required of a supervisory union in section 269 of this title or oversee the performance of those duties by employees of the supervisory union;

(9) ensure that the school districts and supervisory union are in compliance with State and federal laws; and

(10) provide for the general supervision of the public schools in the supervisory union ~~or district~~.

Sec. 49. 16 V.S.A. § 242a is redesignated to read:

§ ~~242a~~ 272. INTERNAL FINANCIAL CONTROLS

Sec. 50. 16 V.S.A. § 563 is amended to read:

§ 563. ~~POWERS OF SCHOOL BOARDS; FORM OF VOTE IF BUDGET EXCEEDS BENCHMARK AND DISTRICT SPENDING IS ABOVE AVERAGE~~

The school board of a school district, in addition to other duties and authority specifically assigned by law:

* * *

(2) May take any action, ~~which~~ except actions explicitly reserved to the supervisory union pursuant to chapter 7 of this title, that is required for the ~~sound~~ administration of the school district. The Secretary, with the advice of the Attorney General, upon application of a school board, shall decide whether any action contemplated or taken by a school board under this subdivision is required for the ~~sound~~ administration of the district and is proper under this subdivision. The Secretary's decision shall be final.

(3) Shall own and have the possession, care, control, and management of the property of the school district, subject to the authority vested in the electorate or any school district official.

(4) ~~[Repealed.]~~

~~(5)~~ Shall keep the school buildings and grounds in good repair, suitably equipped, insured, and in safe and sanitary condition at all times.

~~(5)~~ ~~The school board shall~~ Shall regulate or prohibit firearms or other dangerous or deadly weapons on school premises. At a minimum, a school board shall adopt and implement a policy at least consistent with section 1166 of this title and 13 V.S.A. § 4004, relating to a student who brings a firearm to or possesses a firearm at school.

(6) Shall have discretion to furnish instruction to pupils who have completed a secondary education and to administer early educational programs.

(7) May relocate or discontinue use of a schoolhouse or facility, subject to the provisions of sections 821 and 822 of this title.

(8) ~~Shall~~ Subject to the duties and authority of the supervisory union pursuant to subdivision 263(a)(3) of this title, shall establish and maintain a system for receipt, deposit, disbursement, accounting, control, and reporting procedures that meets the criteria established by the State Board pursuant to subdivision 164(15) of this title and that ensures that all payments are lawful and in accordance with a budget adopted or amended by the school board. The school board may authorize a subcommittee, the superintendent of schools, or a designated employee of the school board to examine claims against the district for school expenses and draw orders for such as shall be allowed by it payable to the party entitled thereto. Such orders shall state definitely the purpose for which they are drawn and shall serve as full authority to the treasurer to make such payments. It shall be lawful for a school board to submit to its treasurer a certified copy of those portions of the board minutes, properly signed by the clerk and chair, or a majority of the board, showing to whom, and for what purpose each payment is to be made by the treasurer, and such certified copy shall serve as full authority to the treasurer to make the payments as thus approved.

* * *

~~(14) Shall provide, at the expense of the district, subject to the approval of the superintendent, all text books, learning materials, equipment and supplies. [Repealed.]~~

* * *

Sec. 51. REPEAL

16 V.S.A. § 261a is repealed.

* * * Collaboration Among Supervisory Unions * * *

Sec. 52. SUPERVISORY UNION SERVICE REGIONS

On or before July 1, 2015, the State Board of Education, in consultation with the Secretary of Education and with the supervisory union boards and superintendents of the State, shall establish supervisory union service regions, each of which shall be a group of supervisory unions that jointly provide the services as required by 16 V.S.A. § 269(d).

Sec. 53. 16 V.S.A. § 269(e) and (f) are added to read:

(e) The supervisory unions in each supervisory union service region, as established by the Secretary, shall jointly provide the services required under the following subdivisions of subsection (a) of this section:

(1) subdivision (1) (professional development);

(2) subdivision (4) (transportation); and

(3) subdivision (5) (goods and operational services), exclusive of school food services.

(f) The requirements of subsection (e) of this section shall not apply:

(1) to a supervisory union that received a waiver pursuant to subsection (d) of this section;

(2) to a regional education district created pursuant to 2010 Acts and Resolves No. 153 as amended by 2012 Acts and Resolves No. 156; or

(3) if the Secretary concludes that doing so will be more costly or less effective.

Sec. 54. 16 V.S.A. § 267(a) is amended to read:

(a) ~~Supervisory~~ In addition to the joint agreements required in subsection 269(d) of this title, supervisory unions, or administrative units not within a supervisory union, in order to provide services cooperatively, may at any annual or special meeting of the supervisory unions, by a majority vote of the directors present and eligible to vote, enter into a joint agreement to provide joint programs, services, facilities, and professional and other staff that are necessary to carry out the desired programs and services.

* * * Supervisory Unions; Merger; Governance * * *

Sec. 54a. SUPERVISORY UNIONS; MERGER PLANS

On or before April 1, 2015, each supervisory union, including a supervisory district, shall explore the possibility of merger with at least one other neighboring supervisory union and shall present to the Secretary of Education

either a plan by which it shall implement the merger or an explanation of the reasons that it believes that merger would inhibit the effective and efficient use of financial and human resources or diminish educational quality and opportunities in the district; provided, however, that this section shall not apply to a supervisory union in which the school districts have appointed a study committee pursuant to 16 V.S.A. chapter 11 in order to explore potential realignment into a regional education district pursuant to 2010 Acts and Resolves No. 153 as amended by 2012 Acts and Resolves No. 156.

* * * Voluntary Mergers * * *

Sec. 55. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012 Acts and Resolves No. 156, Sec. 1, is further amended to read:

(a) Program created. There is created a school district merger incentive program under which the incentives outlined in Sec. 4 of this act shall be available to each new unified union school district created pursuant to Sec. 3 of this act and to each new district created under Sec. 3 of this act by the merger of districts that provide education by paying tuition; and to the Vermont members of any new interstate school district if the Vermont members jointly satisfy the size criterion of Sec. 3(a)(1) of this act and the new, merged district meets all other requirements of Sec. 3 of this act. Incentives shall be available, however, only if the ~~effective date of merger is~~ electorate approves the merger on or before July 1, 2017.

Sec. 56. 2010 Acts and Resolves No. 153, Sec. 3 is amended to read:

Sec. 3. VOLUNTARY SCHOOL DISTRICT MERGER INCENTIVE PROGRAM

(a) Size.

(1) School districts, which may include one or more union school districts, may merge to form a union school district pursuant to 16 V.S.A. chapter 11 ~~of Title 16~~ (a “Regional Education District” or “RED”) that shall have an average daily membership of at least ~~4,250~~ 1,000 or result from the merger of at least four districts, or both.

(2) School districts interested in merger may request the ~~state board of education~~ State Board of Education to grant them a waiver from the requirements of subdivision (1) of this subsection, which shall be granted if the districts can demonstrate that the requirements would not be cost-effective, would decrease educational opportunities, or would diminish student achievement, or any combination of these.

* * *

Sec. 57. 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13, is further amended to read:

Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

* * *

(g) Transition facilitation grant.

(1) After voter approval of the plan of merger, the ~~commissioner of education~~ Secretary of Education shall pay the RED a transition facilitation grant from the education fund equal to the lesser of:

(A) five percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(B) ~~\$150,000.00~~ \$500,000.00.

(2) A transition facilitation grant awarded under this subsection (g) shall be reduced by the total amount of reimbursement paid under subsection (e) of this section.

(3) Notwithstanding any other provision of this subsection, a transition facilitation grant paid to a modified unified union school district created pursuant to 2012 Acts and Resolves No. 156, Sec. 17 shall not exceed \$150,000.00.

(h) ~~This section is repealed on July 1, 2017.~~ [Repealed.]

Sec. 58. VOLUNTARY SCHOOL DISTRICT MERGER BETWEEN JULY 1, 2017 AND JUNE 30, 2019; INCENTIVES

(a) July 1, 2017 through June 30, 2019. A regional education district (RED) approved by the electorate pursuant to the provisions of 16 V.S.A. chapter 11 between July 1, 2017 and June 30, 2019 shall be eligible for the incentives provided in this section, provided that the RED complies with all other provisions of 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012 Acts and Resolves No. 156, Sec. 1, and as further amended by Sec. 55 of this act and of 2010 Acts and Resolves No. 153, Sec. 3.

(b) Equalized homestead property tax rates or RED incentive grant. A RED's plan of merger shall provide whether, upon merger, the RED shall receive an equalization of its homestead property tax rates during the first four years following merger pursuant to subdivision (1) of this subsection or an incentive grant during the first year following merger pursuant to subdivision (2).

(1)(A) Equalized homestead property tax rates. Subject to the provisions of subdivision (C) of this subdivision (1) and notwithstanding any other provision of law, the RED's equalized homestead property tax rate shall be:

(i) decreased by \$0.04 in the first year after the effective date of merger;

(ii) decreased by \$0.03 in the second year after the effective date of merger;

(iii) decreased by \$0.02 in the third year after the effective date of merger; and

(iv) decreased by \$0.01 in the fourth year after the effective date of merger.

(B) The household income percentage shall be calculated accordingly.

(C) During the years in which a RED's equalized homestead property tax rate is decreased pursuant to this subsection, the rate for each town within the RED shall not increase or decrease by more than five percent in a single year. The household income percentage shall be calculated accordingly.

(2) RED incentive grant. During the first year after the effective date of merger, the Secretary of Education shall pay to the RED board a RED incentive grant from the education fund equal to \$200.00 per pupil based on the combined enrollment of the participating districts on October 1 of the year in which the successful vote was taken. The grant shall be in addition to funds received under 16 V.S.A. § 4028.

(3) Common level of appraisal. Regardless of whether a RED chooses to receive an equalization of its homestead property tax rates or a RED incentive grant, on and after the effective date of merger, the common level of appraisal shall be calculated independently for each town within the RED for purposes of determining the homestead property tax rate for each town.

(c) Sale of school buildings.

(1) if a RED closes a school building and sells the school building, or an energy saving measure within it as contemplated in 16 V.S.A. § 3448f(g), then neither the RED nor any other entity shall be required to refund a percentage of the sale price to the state pursuant to 16 V.S.A. chapter 123; and

(2) if a participating district retains ownership of and closes a school building as part of the electorate-approved plan for merger and the participating district sells the school building or energy saving measure

associated with the building, then neither the district nor any other entity shall be required to refund a percentage of the sale price to the State pursuant to 16 V.S.A. chapter 123.

(d) Merger support grant; small school support grant. If the merging districts of a RED included at least one "eligible school district," as defined in 16 V.S.A. § 4015, that had received a small school support grant under section 4015 in the fiscal year two years prior to the first fiscal year of merger, then the RED shall be eligible to receive a merger support grant in each of its first five fiscal years in an amount equal to one-half of the small school support grant received by the eligible school district in the fiscal year two years prior to the first fiscal year of merger. If more than one merging district was an eligible school district, then the merger support grant shall be in an amount equal to the total of one-half of each small school support grant they received in the fiscal year two years prior to the first fiscal year of merger.

(e) Consulting services reimbursement grant. From the Education Fund, the Secretary shall pay up to \$10,000.00 to the merger study committee established under 16 V.S.A. § 706 to reimburse the participating districts for legal and other consulting fees necessary for the analysis and report required by 16 V.S.A. § 706b. The study committee shall forward invoices to the Secretary on a quarterly basis. The Secretary shall reimburse one-half of the total amount reflected in each set of invoices and the remaining one-half upon completion of the final report, provided that no payment shall cause the total amount paid to exceed the \$10,000.00 limit. In addition, any transition facilitation grant funds paid to the RED pursuant to subsection (g) of this section shall be reduced by the total amount of reimbursement paid under this subsection.

(f) Multiyear budgets.

(1) In addition to the option of proposing a single-year budget on an annual basis pursuant to the provisions of 16 V.S.A. chapter 11 and notwithstanding any other provision of law, a RED formed pursuant to this section shall have the option to propose one or both of the following:

(A) A multiyear budget for the first two fiscal years of its existence that will be included as part of the plan that must be approved by the electorate in order to create the RED.

(B) A multiyear budget for the third and fourth fiscal years of its existence that is presented to the electorate for approval at the RED's annual meeting convened in its second fiscal year.

(2) The plan presented to the electorate to authorize creation of the RED may contain a provision authorizing the RED, beginning in the fifth fiscal year

of its existence to present multiyear proposed budgets to the electorate once in every two or three years.

(g) Transition facilitation grant.

(1) After voter approval of the plan of merger, the Secretary shall pay the RED a transition facilitation grant from the education fund equal to the lesser of:

(A) two and one-half percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(B) \$200,000.00.

(2) A transition facilitation grant awarded under this subsection shall be reduced by the total amount of reimbursement paid under subsection (e) of this section.

Sec. 59. MERGER SUPPORT GRANT; SMALL SCHOOL SUPPORT GRANT

The provisions of 2014 Acts and Resolves No. _____ (H.889) that limit payment of small school support grants under 16 V.S.A. § 4015 to schools that are eligible due to geographic necessity shall not prevent payment of the grants as merger support grants pursuant to 2010 Acts and Resolves No. 153, Sec. 4(d) and subsection 20(d) of this act; provided, however, that the merger support grants shall be used solely to support programs and activities in the small school or schools after transitioning to the new governance structure.

Sec. 60. EXPEDITED PROCESS; RED FORMATION

Notwithstanding 16 V.S.A. chapter 11 or any other provision of law to the contrary:

(1) if:

(A) on or before the effective date of this act the electorate of two or more districts voted whether to change their governance structure pursuant to 2010 Acts and Resolves No. 153, Secs. 2–4, as amended by 2012 Acts and Resolves No. 156; and

(B) one or more of the districts did not vote in favor of the plan of merger (the Plan) presented at the most recent meeting warned to vote on the Plan (the Meeting); and

(C) after the effective date of this act and before July 1, 2017, upon approval of the school boards of all districts identified as “necessary” in the Plan, each of the “necessary” districts that did not vote in favor of the Plan at

the Meeting votes on the Plan at a meeting warned for that purpose and the new vote is favorable in each district;

(2) then:

(A) the affirmative votes of the districts that voted in favor of the Plan at the Meeting shall continue without the need to vote again; and

(B) the change to the districts' governance structure shall occur pursuant to terms set forth in the Plan.

Sec. 61. RED FORMATION PROCESS; AGENCY OF EDUCATION;
STATE BOARD OF EDUCATION

The Agency of Education shall:

(1) provide technical support to districts exploring or engaged in the RED formation process at their request;

(2) revise and add to the existing template developed for use in the RED process to provide meaningful guidance to districts and flexible, alternative models for their use;

(3) develop a technical assistance handbook to support RED formation; and

(4) update these materials as necessary until expiration of the RED incentive program.

* * * Appropriations; Positions * * *

Sec. 62. POSITIONS; AGENCY OF EDUCATION

The General Assembly authorizes the establishment of two new limited service positions in the Agency of Education in fiscal year 2015 as follows: two analyst positions to provide technical assistance to school districts as they explore voluntary realignment under the RED process.

Sec. 63. APPROPRIATIONS

The sum of \$175,500.00 is transferred in fiscal year 2014 from the Supplemental Property Tax Relief Fund created by 32 V.S.A. § 6075 to the Agency of Education and is appropriated in fiscal year 2015 as follows:

(1) the sum of \$152,000.00 for personal services;

(2) the sum of \$18,500.00 for operational expenses; and

Sec. 64. EDUCATION ANALYST; UNIFORM CHART OF ACCOUNTS; BUSINESS MANAGER HANDBOOK AND TRAINING; SOFTWARE SPECIFICATIONS

Secs. 61–62 of this act are intended to be in addition to, and to work in concert with, those sections of 2014 Acts and Resolves No. _____ (H.889) (education taxes) regarding an education analyst who shall create tools and indicators for State and local education decision makers and a contract for development and completion of a uniform chart of accounts; an updated, comprehensive accounting manual, with related business rules, for school district business managers; related training programs; and specifications for school financial software.

* * * Effective Dates * * *

Sec. 65. EFFECTIVE DATES

(a) Secs. 45–51 of this act (supervisory unions and school district responsibilities) shall take effect on July 1, 2015 and shall apply beginning in academic year 2015–2016.

(b) Secs. 52–54 (collaboration among supervisory unions) shall take effect on July 1, 2014 and shall apply beginning in academic year 2016–2017.

(c) This section and all other sections shall take effect on passage; provided, however, that Sec. 29 (tuition for graduate and distance education programs) shall not apply to students who are enrolled as of that date in the University of Vermont in:

- (1) a distance education course or program; or
- (2) a graduate program other than in the College of Medicine.

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Ashe, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Education with the following amendments thereto:

First: In Sec. 45, in 16 V.S.A. § 268, by striking out subdivision (4) (hiring a superintendent) in its entirety and inserting in lieu thereof a new subdivision (4) to read:

(4) employ, at its discretion, a superintendent pursuant to the provisions of section 270 of this title and evaluate and oversee the performance of the superintendent;

Second: In Sec. 46, in 16 V.S.A. § 269, by striking out subsection (d) (waivers) in its entirety and after Sec. 46, by inserting two new sections to be Secs. 46a and 46b to read:

Sec. 46a. 16 V.S.A. § 269a is added to read:

§ 269a. WAIVERS; SUPERVISORY UNION DUTIES

(a) Notwithstanding the requirement in subsection 269(a) of this title that a supervisory union is solely responsible for the duties set forth in that subsection, a supervisory union may request the Secretary of Education to grant it a waiver from the requirements of subdivision (a)(2) (special education), (4) (transportation), (5) (goods and services), or (6) (construction management).

(b) The Secretary shall identify standards and criteria by which he or she shall determine whether the services will be performed most efficiently and cost-effectively at the supervisory union level or in some other manner. The Secretary shall publish the standards and criteria on or before October 1, 2014 together with guidelines for submitting a waiver request.

(c) A waiver granted pursuant to this section shall be for no more than one year, but may be renewed at the Secretary's discretion.

Sec. 46b. REPEAL

16 V.S.A. § 269a (waiver; supervisory union duties) is repealed on July 1, 2019.

Third: By inserting a new section to be Sec. 50a to read:

Sec. 50a. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(13) "District spending adjustment" means the greater of: one or a fraction in which the numerator is the district's education spending plus excess spending plus any noncompliance penalty, per equalized pupil, for the school year; and the denominator is the base education amount for the school year, as defined in 16 V.S.A. § 4001. For a district that pays tuition to a public school or an approved independent school, or both, for all of its resident students in any year and which has decided by a majority vote of its school board to opt into this provision, the district spending adjustment shall be the average of the district spending adjustment calculated under this subdivision for the previous year and for the current year. Any district opting for a two-year average under this subdivision may not opt out of such treatment, and the averaging shall continue until the district no longer qualifies for such treatment.

* * *

(15) “Noncompliance penalty” means an amount equal to one percent of a district’s total education spending, as defined in 16 V.S.A. § 4001(6), included in the calculation of a district’s district spending adjustment if the Secretary of Education determines, pursuant to criteria established by the State Board of Education, that the district performed duties assigned by 16 V.S.A. chapter 7 to the supervisory union board, the supervisory union, or the superintendent.

Fourth: By striking out Sec. 53 in its entirety and inserting in lieu thereof a new Sec. 53 to read:

Sec. 53. 16 V.S.A. § 269(d) is added to read:

(d) The supervisory unions in each supervisory union service region, as established by the State Board, shall jointly provide the services required under the following subdivisions of subsection (a) of this section unless, upon petition of one or more supervisory unions within a region, the Secretary determines that it would be more costly or less effective to do so:

- (1) subdivision (1) (professional development);
- (2) subdivision (4) (transportation); and
- (3) subdivision (5) (goods and operational services).

Fifth: By striking out Sec. 54a in its entirety and inserting in lieu thereof a new Sec. 54a to read:

Sec. 54a. SUPERVISORY UNIONS; MERGER PLANS

(a) On or before April 1, 2015, each supervisory union, including a supervisory district, shall explore the possibility of merger with at least one other neighboring supervisory union and shall present to the State Board of Education either a detailed plan by which it shall implement the merger or a detailed explanation of the reasons that it believes that merger would inhibit the effective and efficient use of financial and human resources or diminish educational quality and opportunities in the district. If a supervisory union is unable to identify a neighboring supervisory union that is willing to explore the possibility of merger with it, then the State Board may facilitate a meeting or meetings with one or more neighboring supervisory unions on the supervisory union’s behalf.

(b) On or before July 1, 2015, the State Board either shall approve the plan of merger or the decision not to merge or shall direct the supervisory union to explore merger further and to report again to the State Board by a date certain with either a detailed plan or explanation, as required in subsection (a) of this

section. The State Board may request that the supervisory union explore merger repeatedly until he or she approves the plan or explanation.

Sixth: By striking out Sec. 55 in its entirety and inserting in lieu thereof a new Sec. 55 to read:

Sec. 55. 2010 Acts and Resolves No. 153, Sec. 2(a), as amended by 2012 Acts and Resolves No. 156, Sec. 1, is further amended to read:

(a) Program created. There is created a school district merger incentive program under which the incentives outlined in Sec. 4 of this act shall be available to each new unified union school district created pursuant to Sec. 3 of this act and to each new district created under Sec. 3 of this act by the merger of districts that provide education by paying tuition; and to the Vermont members of any new interstate school district if the Vermont members jointly satisfy the size criterion of Sec. 3(a)(1) of this act and the new, merged district meets all other requirements of Sec. 3 of this act. Incentives shall be available, however, only if the effective date of merger is on or before electorate approves the merger prior to July 1, 2017.

Seventh: By striking out Sec. 57 in its entirety and inserting in lieu thereof a new Sec. 57 to read:

Sec. 57. 2010 Acts and Resolves No. 153, Sec. 4, as amended by 2012 Acts and Resolves No. 156, Sec. 13, is further amended to read:

Sec. 4. VOLUNTARY SCHOOL DISTRICT MERGER; INCENTIVES

* * *

(e) Consulting services reimbursement grant. From the ~~education fund~~ Education Fund, the ~~commissioner of education~~ Secretary of Education shall pay up to \$20,000.00 to the merger study committee established under 16 V.S.A. § 706 to reimburse the participating districts for legal and other consulting fees necessary for the analysis and report required by 16 V.S.A. § 706b. The ~~study committee~~ Study Committee shall forward invoices to the ~~commissioner~~ Secretary on a quarterly basis. The ~~commissioner~~ Secretary shall reimburse one-half of the total amount reflected in each set of invoices and the remaining one-half upon completion of the final report, provided that no payment shall cause the total amount paid to exceed the \$20,000.00 limit. ~~In addition, any transition facilitation grant funds paid to the RED pursuant to subsection (g) of this section shall be reduced by the total amount of reimbursement paid under this subsection (e).~~

* * *

(g) Transition facilitation grant.

(1) After voter approval of the plan of merger, the ~~commissioner of education~~ Secretary of Education shall pay the RED a transition facilitation grant from the education fund equal to the lesser of:

(A) five percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(B) between \$150,000.00 and \$500,000.00, as determined by the Secretary based on projected annual post-merger savings that do not decrease the quality of education.

(2) ~~A transition facilitation grant awarded under this subsection (g) shall be reduced by the total amount of reimbursement paid under subsection (e) of this section.~~ Notwithstanding any other provision of this subsection, a transition facilitation grant paid to a modified unified union school district created pursuant to 2012 Acts and Resolves No. 156, Sec. 17 shall not exceed \$150,000.00.

(h) ~~This section is repealed on July 1, 2017.~~ The incentives provided in this section shall be available only if the electorate approves the plan of merger prior to July 1, 2017.

Eighth: In Sec. 58, in subsection (e), by striking out the final sentence (transition grant reduced by amount of reimbursement) and also in Sec. 58, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read:

(g) Transition facilitation grant. After voter approval of the plan of merger, the Secretary shall pay the RED a transition facilitation grant from the education fund equal to the lesser of:

(1) two and one-half percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(2) between \$75,000.00 and \$250,000.00, as determined by the Secretary based on projected annual post-merger savings that do not decrease the quality of education; provided, however, that a transition facilitation grant paid to a modified unified union school district created pursuant to 2012 Acts and Resolves No. 156, Sec. 17 shall not exceed \$75,000.00.

Ninth: By inserting two new sections to be Secs. 60a and 60b to read:

Sec. 60a. 2012 Acts and Resolves No.156, Sec. 5 is amended to read:

Sec. 5. REIMBURSEMENT OF FEES FOR CONSULTING SERVICES;
MERGER; SUPERVISORY UNIONS; SUNSET

(a) From the ~~education fund~~ Education Fund, the ~~commissioner of education~~ Secretary of Education shall reimburse:

(1) up to ~~\$20,000.00~~ \$40,000.00 of fees paid prior to July 1, 2017 by two or more supervisory unions for legal and other consulting services necessary to analyze the advisability of the merger into a fewer number of supervisory unions and to prepare a petition to the ~~state board of education~~ State Board of Education requesting adjustment of supervisory union boundaries; or

(2) up to \$20,000.00 of fees paid after June 30, 2017 and prior to July 1, 2019 by two or more supervisory unions for legal and other consulting services necessary to analyze the advisability of the merger into a fewer number of supervisory unions and to prepare a petition to the State Board of Education requesting adjustment of supervisory union boundaries.

(b) Each group of supervisory unions shall forward invoices to the ~~commissioner~~ Secretary on a quarterly basis. The ~~commissioner~~ Secretary shall reimburse one-half of the total amount reflected in each set of invoices and the remaining one-half upon submission of either a petition to the ~~state board~~ State Board requesting that the boundaries be redrawn or a written statement of the entities' analysis supporting preservation of the current boundaries, provided that no payment shall cause the total amount paid to exceed the ~~\$20,000.00~~ limit set forth in subsection (a) of this section. A group of supervisory unions shall not be eligible for reimbursement under both subdivisions (1) and (2) of subsection (a).

(c) ~~Any transition facilitation grant funds paid pursuant to Sec. 6 of this act shall be reduced by the total amount of reimbursement provided under this section.~~

(d) This section is repealed on July 1, ~~2017~~ 2019.

Sec. 60b. 2012 Acts and Resolves No.156, Sec. 6 is amended to read:

Sec. 6. TRANSITION FACILITATION GRANT; MERGER;
SUPERVISORY UNIONS; SUNSET

(a) After ~~state board of education~~ State Board of Education approval of the petition of two or more supervisory unions to merge into a fewer number of supervisory unions, the ~~commissioner of education~~ Secretary of Education

shall pay to the new supervisory union board or the new group of boards a transition facilitation grant from the ~~education fund~~ Education Fund of:

(1) between \$150,000.00, less reimbursement funds received under Sec. 5 of this act and \$750,000.00, as determined by the Secretary based on projected annual post-merger savings that do not decrease the quality of education if the State Board approves the petition prior to July 1, 2017; and

(2) between \$75,000.00 and \$375,000.00, as determined by the Secretary based on projected annual post-merger savings that do not decrease the quality of education if the State Board approves the petition after June 30, 2017 and prior to July 1, 2019.

(b) This section is repealed on July 1, ~~2017~~ 2019.

Tenth: By striking out Sec. 62 (positions) in its entirety and inserting in lieu thereof a new Sec. 62 to read:

Sec. 62. POSITIONS; AGENCY OF EDUCATION

The General Assembly authorizes the establishment of two new limited service positions in the Agency of Education in fiscal year 2015 as follows: two analyst positions to provide technical assistance to school districts as they explore voluntary realignment under the RED process and to supervisory unions as they work together in supervisory union service regions pursuant to Sec. 53 of this act and explore merger pursuant to Secs. 54a, 60a, and 60b of this act.

Eleventh: By striking out Sec. 65 (effective dates) in its entirety and inserting in lieu thereof two new sections to be Secs. 65 and 66 and related reader assistance headings to read:

* * * Special Education Funding; Pilot * * *

Sec. 65. SPECIAL EDUCATION EXPENDITURES; PILOT PROGRAM; REPORT

(a) There is created a three-year pilot program designed to encourage reduced special education expenditures through the use of best practices to provide special education services in the general classroom setting. Pursuant to a process and criteria to be developed by the Secretary of Education and based upon the Schoolwide Integrated Framework for Transformation (SWIFT), the districts comprising the four supervisory unions currently engaged in implementing the SWIFT model may expend special education mainstream block grant funds received pursuant to 16 V.S.A. § 2961 in a manner other than as required by State Board of Education Rule 2366.2.

(b) To be eligible for the pilot program, all districts within a supervisory union shall submit a joint application providing information prescribed by the Secretary on or before September 1, 2014. The joint application shall:

(1) describe how the districts' special education spending plan under the SWIFT model will be less costly than special education spending without using the SWIFT model;

(2) describe how the districts will serve students on individual education programs in a general classroom setting using the SWIFT model;

(3) describe the manner in which the districts shall measure student performance; and

(4) demonstrate how the use of the SWIFT model shall result in fewer students found to be in need of special education services at the end of the three-year pilot program.

(c) Beginning in 2015, annually on or before January 15 for the duration of the pilot program, the Secretary shall submit a report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance regarding the results of the pilot project and any recommendations for legislative action.

(d) This section is repealed on July 1, 2017.

* * * Effective Dates * * *

Sec. 66. EFFECTIVE DATES

(a) Secs. 45–51 of this act (supervisory unions and school district responsibilities) shall take effect on July 1, 2014; provided, however, that Sec. 50b (noncompliance penalty) shall apply to noncompliance occurring on or after July 1, 2015.

(b) Secs. 52–54 (collaboration among supervisory unions) shall take effect on July 1, 2014 and shall apply beginning in academic year 2016–2017.

(c) This section and all other sections shall take effect on passage; provided, however, that Sec. 29 (tuition for graduate and distance education programs) shall not apply to students who are enrolled as of that date in the University of Vermont in:

(1) a distance education course or program; or

(2) a graduate program other than in the College of Medicine.

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as recommended by the Committee on Education and the Committee on Finance with further proposals of amendments thereto:

By striking out Secs. 62 through 64 in their entirety and inserting in lieu thereof four new sections to be Secs. 62, 63, 64, and 64a and related reader assistance headings to read:

* * * Chart of Accounts * * *

Sec. 62. STATEWIDE INTEGRATED FINANCIAL AND STUDENT DATA MANAGEMENT SYSTEMS; POSITION; APPROPRIATION

(a) Systems. On or before July 1, 2016, the Agency of Education shall have fully implemented statewide, integrated systems to maintain financial reporting and accounting data and longitudinal student data that:

(1) enable and support compliance with federal reporting requirements;

(2) provide data necessary to make education-related decisions at the State and local levels;

(3) are designed to measure and to compare on a district-to-district basis:

(A) the quality and variety of educational opportunities available to students throughout the State;

(B) student outcomes; and

(C) financial costs of education-related decisions;

(4) enable each supervisory union and school district to provide all requested data to both data systems and access all data to which they are entitled under State and federal privacy laws; and

(5) account for and report financial information in accordance with Generally Accepted Accounting Principles.

(b) Position. The General Assembly authorizes the establishment in fiscal year 2015 of one (1) new limited service Education Analyst position for a period not to exceed three (3) years in the Agency of Education to assist the Agency to establish the systems required in subsection (a) of this section, including development of:

(1) specifications for school software;

(2) a detailed transition plan;

(3) training materials and guidance documents for each supervisory union and school district; and

(4) an updated, more comprehensive, consolidated, business manager handbook that includes uniform business rules, and comprehensive information on federal and State funds and compliance.

(c) Appropriation and expenditure authorization. The sum of \$1,500,000.00 is appropriated in fiscal year 2015 from the Supplemental Property Tax Relief Fund created in 32 V.S.A. § 6075 to the Agency of Education for the purposes of this section. Of this appropriation, the Agency may expend the sum of \$500,000.00 in fiscal year 2015; the remaining appropriation shall be carried forward to be used for the purposes of this section in future fiscal years upon authorization of the General Assembly.

(d) Compliance by districts. On or before July 1, 2017, each supervisory union and school district shall be fully compliant with the requirements of both the financial reporting and accounting system and the longitudinal student data system.

(e) Reporting. The Agency shall report on the progress of the work required by this section to the Joint Fiscal Committee at its September meetings and to the General Assembly in January until full implementation of both data systems.

(f) Transition planning. In January 2015, the Agency shall provide to the General Assembly an initial plan for the transition of districts to the new system, which shall include cost estimates for providing financial assistance to districts that need to modify existing or acquire new fiscal reporting systems.

* * * REDs and Supervisory Unions; Positions; Incentives;
Appropriations * * *

Sec. 63. POSITIONS; AGENCY OF EDUCATION

The General Assembly authorizes the establishment in fiscal year 2015 of two (2) new limited service Analyst positions for a period not to exceed three (3) years in the Agency of Education to provide technical assistance to school districts as they explore voluntary realignment under the RED process and to supervisory unions as they work together collaboratively and explore voluntary merger.

Sec. 64. APPROPRIATIONS; INCENTIVES; POSITIONS

(a) The sum of \$329,000.00 in unexpended monies appropriated to support the purposes of 2010 Acts and Resolves No. 153 and 2012 Acts and Resolves No. 156 shall be carried forward to fiscal year 2015 for the purpose of

providing reimbursement payments and incentive grants to school districts and supervisory unions pursuant to those Acts, as amended by this act.

(b) The sum of up to \$5,000,000.00 from the Supplemental Property Tax Relief Fund created in 32 V.S.A. § 6075 shall be used for the purpose of providing incentives for mergers and other joint activity by school districts and supervisory unions pursuant to 2010 Acts and Resolves No. 153, as amended by 2012 Acts and Resolves No. 156, and as further amended by this act, and for the purpose of funding the two analyst positions authorized in Sec. 63 of this act. Of this amount, the sum of \$175,500.00 is appropriated to the Agency of Education in fiscal year 2015 for the purpose of funding the two analyst positions during that year.

Sec. 64a. CONSTRUCTION AID; REPORT

The Secretary of Education shall examine ways to use school construction aid for consolidation of school buildings in order to encourage school districts to explore voluntary consolidation of governance structures or other joint activity. On or before January 15, 2015, the Secretary shall present his or her conclusions and any recommendations for legislative action to the General Assembly.

And that the bill ought to pass in concurrence with such proposals of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the report of the Committee on Education be amended as recommended by the Committee on Finance?, the report of the Committee on Finance was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the report of the Committee on Education be amended as recommended by the Committee on Finance, as amended?, Senator Sears and Hartwell moved to amend the proposal of amendment of the Committee on Finance, as amended, in Sec. 54a (supervisory union; merger plans), by striking out subsection (b) in its entirety and striking out the designation (a)

Which was agreed to.

Thereupon, the pending question, Shall the report of the Committee on Education be amended as recommended by the Committee on Finance, as amended?, Senator Galbraith requested that the *third* proposal of amendment be voted on separately.

Thereupon, the question, Shall the report of the Committee on Education be amended as recommended by the Committee on Finance in the *first, second, fourth, fifth, sixth, seventh, eighth, ninth, tenth and eleventh* proposals of amendment?, was decided in the affirmative.

Thereupon, the question, Shall the report of the Committee on Education be amended as recommended by the Committee on Finance in the *third* proposal of amendment?, was decided in the negative.

Thereupon, the proposals of amendment proposed by the Committee on Education, as amended, were agreed to.

Thereupon, pending the question, Shall the bill be read the third the Senator Rodgers moved that the Senate proposal of amendment be amended by adding two new sections to be numbered Secs. 65 and 66 and a related reader assistance heading to read as follows:

* * * Public High School Choice; Tuition * * *

Sec. 65. 16 V.S.A. § 822a is amended to read:

§ 822a. PUBLIC HIGH SCHOOL CHOICE

* * *

(g) Tuition and other costs.

(1) Unless the sending and receiving schools agree to a different arrangement, ~~no tuition or other cost shall be charged by the receiving district or paid by the sending district~~ shall pay tuition to the receiving district pursuant to section 824 of this title for a student transferring to a different high school under this section; ~~provided, however, a~~ A sending high school district shall also pay special education and technical education costs for resident students pursuant to the provisions of this title.

(2) A student transferring to a different high school under this section shall pay no tuition, fee, or other cost that is not also paid by students residing in the receiving district.

(3) A district of residence shall include within its average daily membership any student who transfers to another high school under this section; a receiving school district shall not include any student who transfers to it under this section.

Sec. 66. IMPLEMENTATION

Sec. 65 of this act shall apply to enrollments in the 2015–2016 academic year and after.

And by renumbering the remaining section to be numerically correct.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as proposed by Senator Rodgers?, Senator Rodgers requested and was granted leave to withdraw his proposal of amendment.

Thereupon, third reading of the bill was ordered.

Adjournment

On motion of Senator Campbell, the Senate adjourned until ten o'clock in the morning.

FRIDAY, MAY 9, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 80

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered Senate proposals of amendment to the following House bills:

H. 555. An act relating to the commitment of a criminal defendant who is incompetent to stand trial because of a traumatic brain injury.

H. 656. An act relating to professions and occupations regulated by the Office of Professional Regulation.

H. 728. An act relating to developmental services' system of care.

H. 877. An act relating to repeal of report requirements that are at least five years old.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 208. An act relating to solid waste management.

And has concurred therein.

The House has considered Senate proposal of amendment to House Proposal of amendment of Senate bill of the following title:

S. 239. An act relating to the regulation of toxic substances.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The Governor has informed the House that on the May 8, 2014, he approved and signed a bill originating in the House of the following title:

H. 112. An act relating to the labeling of food produced with genetic engineering.

Pages Honored

In appreciation of their many services to the members of the General Assembly, the President recognized the following-named pages who are completing their services today and presented them with letters of appreciation.

Brynn Bushey of Montpelier
 Alden Ducharme of Morristown
 Elizabeth Harris of Bennington
 Evan Jones of South Burlington
 Madelyn Koff of Hartford
 Zoe Maskowitz of Hartland
 Hannah Pandya of Montpelier
 Caroline Saba of Burlington
 Graham Stevens of Springfield
 Rachel Sucher of Montpelier
 Silas Worthington of Island Pond

Proposals of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged

H. 876.

House bill entitled:

An act relating to making miscellaneous amendments and technical corrections to education laws.

Was taken up.

Thereupon, pending third reading of the bill, Senator Collins moved that the Senate proposal of amendment be amended by striking out Sec. 58 (extension of RED program; 50% incentives) in its entirety and inserting in lieu thereof the following: [Deleted.]

Which was disagreed to on a roll call, Yeas 5, Nays 22.

Senator Collins having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Campbell, Collins, Doyle, Mazza, White.

Those Senators who voted in the negative were: Ashe, Ayer, Baruth, Benning, Cummings, Flory, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, McCormack, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, Westman, Zuckerman.

Those Senators absent and not voting were: Bray, McAllister, Mullin.

Thereupon, Senators Pollina, Cummings, Doyle, and Collins moved that the Senate proposal of amendment be amended by adding a new section to be Sec.65a and a related reader assistance heading to read:

* * * Education; Statewide Public Engagement Dialogue * * *

Sec. 65a. EDUCATION; STATEWIDE PUBLIC ENGAGEMENT DIALOGUE; REPORT

(a) Facilitator; appropriation. The sum of up to \$250,000.00 is transferred in fiscal year 2014 to the Joint Fiscal Office from the Supplemental Property Tax Relief Fund created by 32 V.S.A. § 6075 to enter into a contract with the Vermont Council on Rural Development, a neutral facilitator with deep experience in public policy at the community and State levels, to conduct a statewide dialogue about the future of education in Vermont as set forth more fully in this section.

(b) Community meetings. The facilitator shall convene no fewer than 25 community meetings throughout the State, designed to elicit thoughtful testimony on the strengths and weaknesses of, and opportunities for, Vermont's education system and the impacts of rising school costs. At the community meetings, the facilitator shall:

(1) present key points from the 2009 report of the Education Transformation Policy Commission and a situational analysis of the current state of prekindergarten–grade 12 educational opportunity in Vermont; and

(2) solicit public comments that identify individual and community visions, values, and goals relating to Vermont's education system.

(c) Targeted meetings. The facilitator shall conduct additional, targeted meetings of identified stakeholders, including youths; parents of students; teachers; principals; school board members; superintendents and administrative staff; municipal boards and staff; business leaders; social service and nonprofit leaders; ethnically diverse Vermonters; economically diverse Vermonters; arts and cultural leaders; representatives of higher education; the Agency of

Education and other State employees; alternative and independent school leaders, parents, and youths; and experts in technology, curriculum, and innovation in education.

(d) The facilitator shall convene a Process Team of 15 to 20 community leaders representing the regions, demographics, and diversity of Vermont. The team shall represent the people of Vermont and shall be solely responsible for the proposed recommendations required by this section. The facilitator shall meet with the Team at least monthly to report on work completed to date and plans for future activity and to receive comments and suggestions from the Team.

(e) Analysis and recommendations.

(1) With leadership from the facilitator, the Process Team shall:

(A) reflect upon public comments;

(B) identify excellent practices, programs, and models that are already occurring in the State and consider how best to replicate them;

(C) identify and evaluate pertinent educational research and related models;

(D) identify themes; and

(E) develop a proposed description of the State's vision for the characteristics and delivery of education in Vermont and recommendations for achieving the vision.

(2) In performing their respective responsibilities, the facilitator and Process Team shall consider how best:

(A) to use existing resources to prepare students to be engaged global citizens;

(B) to contain costs without compromising quality; and

(C) to encourage local communities to work toward the identified State goals for educational opportunities and strengthened outcomes for every Vermont child.

(3) The Process Team's recommendations shall include:

(A) strategies to enhance educational opportunities for all Vermont students; and

(B) any necessary related changes to Vermont's education funding and governance systems.

(f) The facilitator shall seek additional funding sources as necessary to complete the work required by this section.

(g) On or before January 15, 2016, the Process Team and the facilitator shall deliver a report to the General Assembly that is representative of the testimony received and that identifies the vision, values, goals, and strategies for enhancing student opportunities pursuant to subsection (d) of this section.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senators Pollina, Cummings, Doyle, and Collins?, Senator Pollina requested and was granted leave to withdraw the proposal of amendment.

Thereupon, pending third reading of the bill, Senator Rodgers, moved that the Senate proposal of amendment be amended by inserting a new section to be Sec. 65a and a related reader assistance heading to read:

* * * Public High School Choice; Tuition * * *

Sec. 65a. PUBLIC HIGH SCHOOL CHOICE

In the January 2015 report on the status of the public high school choice program as required in 16 V.S.A. § 822a(m), the Secretary shall examine the funding impact of the program on receiving schools and provide recommendations to the General Assembly for amendments to the tuitioning system that are equitable to both the sending and receiving districts.

Which was agreed to.

Thereupon, pending third reading of the bill, Senators Hartwell and Sears moved that the Senate proposal of amendment be amended by striking out Sec. 39 (privatization; moratorium) in its entirety and inserting in lieu thereof the following: [Deleted.]

Which was disagreed to on a roll call, Yeas 9, Nays 19.

Senator Benning having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Benning, Flory, Hartwell, Kitchel, Nitka, Rodgers, Sears, Starr, Westman.

Those Senators who voted in the negative were: Ayer, Baruth, Bray, Campbell, Collins, Cummings, Doyle, French, Galbraith, Lyons, MacDonald, Mazza, McCormack, Mullin, Pollina, Sirotkin, Snelling, White, Zuckerman.

Those Senators absent and not voting were: Ashe, McAllister.

Thereupon, pending third reading of the bill, Senator Sirotkin moved that the Senate proposal of amendment be amended in Sec. 66 by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read:

(c) This section and all other sections shall take effect on passage; provided, however, that Sec. 29 (tuition for graduate and distance education programs) shall not apply to students who:

(1) are enrolled as of that date in the University of Vermont in a distance education course or program or a graduate program other than in the College of Medicine; or

(2) are Vermont residents who were graduated from an undergraduate program at the University or one of the Vermont State Colleges and who enroll in an on-campus graduate program at the University of Vermont other than in the College of Medicine prior to January 1, 2017.

Which was disagreed to.

Thereupon, pending third reading of the bill, Senators Pollina, Cummings, Doyle, and Collins moved that the Senate proposal of amendment be amended by adding a new section to be Sec.65a and a related reader assistance heading to read:

* * * Education; Statewide Public Engagement Dialogue * * *

Sec. 65a. EDUCATION; STATEWIDE PUBLIC ENGAGEMENT DIALOGUE; REPORT

(a) Facilitator; request. The General Assembly requests the Vermont Council on Rural Development, a neutral facilitator with deep experience in public policy at the community and State levels, to conduct a statewide dialogue about the future of education in Vermont. If the request is accepted, the work shall proceed as set forth more fully in this section.

(b) Community meetings. The facilitator shall convene no fewer than 25 community meetings throughout the State, designed to elicit thoughtful testimony on the strengths and weaknesses of, and opportunities for, Vermont's education system and the impacts of rising school costs. At the community meetings, the facilitator shall:

(1) present key points from the 2009 report of the Education Transformation Policy Commission and a situational analysis of the current state of prekindergarten–grade 12 educational opportunity in Vermont; and

(2) solicit public comments that identify individual and community visions, values, and goals relating to Vermont's education system.

(c) Targeted meetings. The facilitator shall conduct additional, targeted meetings of identified stakeholders, including youths; parents of students; teachers; principals; school board members; superintendents and administrative staff; municipal boards and staff; business leaders; social service and nonprofit leaders; ethnically diverse Vermonters; economically diverse Vermonters; arts and cultural leaders; representatives of higher education; the Agency of Education and other State employees; alternative and independent school leaders, parents, and youths; and experts in technology, curriculum, and innovation in education.

(d) The facilitator shall convene a Process Team of 15 to 20 community leaders representing the regions, demographics, and diversity of Vermont. The team shall represent the people of Vermont and shall be solely responsible for the proposed recommendations requested by this section. The facilitator shall meet with the Team at least monthly to report on work completed to date and plans for future activity and to receive comments and suggestions from the Team.

(e) Analysis and recommendations.

(1) With leadership from the facilitator, the Process Team shall:

(A) reflect upon public comments;

(B) identify excellent practices, programs, and models that are already occurring in the State and consider how best to replicate them;

(C) identify and evaluate pertinent educational research and related models;

(D) identify themes; and

(E) develop a proposed description of the State's vision for the characteristics and delivery of education in Vermont and recommendations for achieving the vision.

(2) In performing their respective responsibilities, the facilitator and Process Team shall consider how best:

(A) to use existing resources to prepare students to be engaged global citizens;

(B) to contain costs without compromising quality; and

(C) to encourage local communities to work toward the identified State goals for educational opportunities and strengthened outcomes for every Vermont child.

(3) The Process Team's recommendations shall include:

(A) strategies to enhance educational opportunities for all Vermont students; and

(B) any necessary related changes to Vermont's education funding and governance systems.

(f) The facilitator shall seek funding sources as necessary to complete the work requested by this section.

(g) On or before January 15, 2016, the Process Team and the facilitator shall deliver a report to the General Assembly that is representative of the testimony received and that identifies the vision, values, goals, and strategies for enhancing student opportunities pursuant to subsection (d) of this section.

Which was agreed to on a roll call, Yeas 16, Nays 8.

Senator Pollina having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Benning, Collins, Cummings, Doyle, French, Galbraith, Lyons, McCormack, Nitka, Pollina, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Baruth, Flory, Hartwell, MacDonald, Mazza, Mullin, Rodgers, Snelling.

Those Senators absent and not voting were: Ashe, Ayer, Bray, Campbell, Kitchel, McAllister.

Thereupon, pending third reading of the bill, Senator Collins moved that the Senate proposal of amendment be amended by inserting two new sections to be numbered Secs. 50a and 50b to read as follows:

Sec. 50a. 2010 Acts and Resolves No. 153, Sec. 18, as amended by 2011 Acts and Resolves No. 58, Sec. 18, and by 2013 Acts and Resolves No. 56, Sec. 23, is further amended to read:

Sec. 18. TRANSITION

(a) Each supervisory union shall provide for any transition of employment of special education and transportation employees by member districts to employment by the supervisory union, pursuant to Sec. 9 of this act, 16 V.S.A. § 261a(a)(6), and (8)(E) by:

* * *

Sec. 50b. TRANSITION; INTENT

Nothing in this act shall be construed to repeal or amend provisions in 2013 Acts and Resolves No. 56, Secs. 23–27, relating to the transition of special education and transportation employees to employment by supervisory unions.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Collins moved that the Senate proposal of amendment be amended in Sec. 38 (technology task force) and in Sec. 43 (physical education task force), by striking out subsection (d) (assistance) in its entirety in both instances.

And by relettering the remaining subsections to be alphabetically correct.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment on a roll call, Yeas 23, Nays 5.

Senator Benning having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Campbell, Collins, Cummings, French, Galbraith, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Rodgers, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: *Benning, Flory, Hartwell, Sears, Snelling.

Those Senators absent and not voting were: Doyle, McAllister.

*Senator Benning explained his vote as follows:

“Mr. President:

“I cannot vote for a bill which contains a provision declaring a moratorium on school privatization. This runs counter to my understanding of the Constitution I am sworn to uphold. I also oppose school district consolidation and thus cannot support spending additional money for that purpose. Finally, I cannot support adding three new positions in the Agency of Education at a time when property tax payers are telling us to cut back on school and government bureaucracy.

“Thank you Mr. President”

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered messaged to the House forthwith.

Adjournment

On motion of Senator Campbell, the Senate adjourned until three o'clock and thirty minutes in the afternoon.

Afternoon

The Senate was called to order by the President.

Message from the House No. 81

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 241. An act relating to binding arbitration for State employees.

And has adopted the same on its part.

Message from the House No. 82

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

And has adopted the same on its part.

Rules Suspended; Third Reading Ordered; Rules Suspended; Joint Resolution Adopted in Concurrence**J.R.H. 21.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Joint House Resolution entitled:

Joint resolution urging Congress to enact the Blue Water Navy Vietnam Veterans Act of 2013.

Was taken up for immediate consideration.

Thereupon, Senator McAllister, for the Committee on Government Operations, to which the joint House resolution was referred, reported that the joint resolution ought to be adopted in concurrence.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, and third reading of the joint resolution was ordered.

Thereupon, on motion of Senator Baruth, the rules were suspended and the joint resolution was placed on all remaining stages of its adoption in concurrence forthwith.

Thereupon, the joint resolution was read the third time and adopted in concurrence.

Rules Suspended; Third Reading Ordered; Rules Suspended; Joint Resolution Adopted in Concurrence

J.R.H. 19.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Joint House resolution entitled:

Joint resolution relating to encouraging New Hampshire to enact laws protecting emergency responders from across state lines.

Was taken up for immediate consideration.

Thereupon, Senator Nitka, for the Committee on Judiciary, to which the joint House resolution was referred, reported that the joint resolution ought to be adopted in concurrence.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, and third reading of the joint resolution was ordered.

Thereupon, on motion of Senator Baruth, the rules were suspended and the joint resolution was placed on all remaining stages of its adoption in concurrence forthwith.

Thereupon, the joint resolution was read the third time and adopted in concurrence.

House Proposal of Amendment Concurred In

S. 264.

House proposal of amendment to Senate bill entitled:

An act relating to technical corrections to civil and criminal procedure statutes.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 1 V.S.A. § 317(c)(41) is amended to read:

(41) documents reviewed by the Victim's Compensation Board for purposes of approving an application for compensation pursuant to 13 V.S.A. chapter 167, except as provided by 13 V.S.A. §§ ~~5360~~ 5358a(b) and 7043(c).

Sec. 2. 4 V.S.A. § 601 is amended to read:

§ 601. JUDICIAL NOMINATING BOARD CREATED; COMPOSITION

* * *

(d) The Judicial Nominating Board shall adopt rules under 3 V.S.A. chapter 25 which shall establish criteria and standards for the nomination of ~~qualified~~ candidates for ~~justices~~ Justices of the Supreme ~~court, superior~~ Court, Superior judges, magistrates, the Chair of the Public Service Board, and members of the Public Service Board. The criteria and standards shall include such factors as integrity, legal knowledge and ability, judicial temperament, impartiality, health, experience, diligence, administrative and communicative skills, social consciousness, and public service. The application form shall not be included in the rules and may be developed and periodically revised at the discretion of the Board.

(e) A quorum of the Board shall consist of eight members.

(f) The ~~board~~ Board is authorized to use the staff and services of appropriate ~~state~~ State agencies and departments as necessary to conduct investigations of applicants. The Office of Legislative Council shall assist the Board for the purpose of rulemaking.

Sec. 3. 9 V.S.A. § 2292 is amended to read:

§ 2292. DEFENSES; LIABILITY AND PROTECTION OF TRANSFEREE

* * *

(e) A transfer is not voidable under subdivision 2288(a)(2) or section 2289 of this title if the transfer results from:

(1) termination of a lease upon default by the debtor when the termination is pursuant to the lease and applicable law;

(2) enforcement of a security interest in compliance with 9A V.S.A. Article 9 ~~of Title 9A~~; or

(3) foreclosure of a mortgage in compliance with 12 V.S.A. subchapter 6 of chapter 163 ~~or subchapter 1 of chapter 172 of Title 12~~.

* * *

Sec. 4. 12 V.S.A. § 2794 is amended to read:

§ 2794. EXECUTION UPON REAL ESTATE; HOMESTEAD A PART

When an execution is levied upon real estate of which the debtor's homestead is a part or upon that part of a homestead in excess of ~~\$75,000.00~~ \$125,000.00 in value, the location and boundaries of the homestead shall be ascertained before the sale and set out in the manner provided for the levy of execution upon real estate whereof a homestead forms a part.

Sec. 5. 18 V.S.A. § 4474(b) is amended to read:

(b) Prior to acting on an application, the ~~department~~ Department shall obtain from the Vermont ~~criminal information center~~ Crime Information Center a Vermont criminal record, an out-of-state criminal record, and a criminal record from the Federal Bureau of Investigation for the applicant. ~~For purposes of this subdivision~~ As used in this subsection, "criminal record" means a record of whether the person has ever been convicted of a drug-related crime. Each applicant shall consent to release of criminal records to the ~~department~~ Department on forms ~~substantially similar to the release forms~~ developed by the ~~center~~ Center pursuant to ~~20 V.S.A. § 2056e~~ Center. The ~~department~~ Department shall comply with all laws regulating the release of criminal history records and the protection of individual privacy. The Vermont ~~criminal information center~~ Crime Information Center shall send to the requester any record received pursuant to this section or inform the ~~department of public safety~~ Department of Public Safety that no record exists. If the ~~department~~ Department disapproves an application, the ~~department~~ Department shall promptly provide a copy of any record of convictions and pending criminal charges to the applicant and shall inform the applicant of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the Vermont ~~criminal information center~~ Crime Information Center. No person shall confirm the existence or nonexistence of criminal record information to any person who would not be eligible to receive the information pursuant to this subchapter.

Sec. 6. 18 V.S.A. § 4474g(b) is amended to read:

(b) Prior to acting on an application for a registry identification card, the ~~department of public safety~~ Department of Public Safety shall obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Each applicant shall consent to the release of criminal history records to the ~~department~~ Department on forms ~~substantially similar to the release forms~~ developed ~~in accordance with 20 V.S.A. § 2056e~~ by the Vermont Crime Information Center.

Sec. 7. 20 V.S.A. § 2056e(a) is amended to read:

(a) The ~~department of buildings and general services~~ Department of Buildings and General Services shall obtain from the Vermont ~~criminal information center~~ Crime Information Center a Vermont criminal record, an out-of-state criminal record, and a record from the Federal Bureau of Investigation for any applicant for a ~~state~~ State security personnel position who has given written authorization, on a release form prescribed ~~under section 2056e of this chapter by the Center,~~ pursuant to the provisions of this subchapter and the user's agreement filed by the ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services with the ~~center~~ Center. The user's agreement shall require the ~~department~~ Department to comply with all federal and ~~state~~ State statutes, rules, regulations, and policies regulating the release of criminal history records and the protection of individual privacy. The user's agreement shall be signed and kept current by the ~~commissioner~~ Commissioner. Release of interstate and Federal Bureau of Investigation criminal history records is subject to the rules and regulations of the Federal Bureau of Investigation's National Crime Information Center.

Sec. 8. 20 V.S.A. § 2056h is amended to read:

§ 2056h. DISSEMINATION OF CRIMINAL HISTORY RECORDS TO THE DEPARTMENT OF FINANCIAL REGULATION

(a) The Department of Financial Regulation shall obtain from the Vermont ~~Criminal~~ Crime Information Center a Vermont criminal record, an out-of-state criminal record, and a record from the Federal Bureau of Investigation (FBI) for any applicant for a banking division examiner position who has given written authorization, on a release form prescribed ~~under section 2056e of this chapter~~ by the Center, pursuant to the provisions of this subchapter and the user's agreement filed by the Commissioner of Financial Regulation with the ~~center~~ Center. The user's agreement shall require the Department to comply with all federal and State statutes, rules, regulations, and policies regulating the release of criminal history records, and the protection of individual privacy. The user's agreement shall be signed and kept current by the Commissioner. Release of interstate and ~~F.B.I.~~ FBI criminal history records is subject to the rules and regulations of the ~~F.B.I.'s~~ FBI's National Crime Information Center.

* * *

Sec. 9. 27 V.S.A. § 145 is amended to read:

§ 145. EFFECT OF SPOUSE JOINING IN MORTGAGE

If the homestead or lands included therein are mortgaged by the joint deed of husband and wife, the joining of the wife or husband in the mortgage shall have no other effect than to bar her or his claim to the homestead as against the

mortgage. If the mortgage includes lands other than the homestead, and the owner thereof dies, the other lands shall be first sold by the executor or administrator and applied on the mortgage and the residue only shall rest on the homestead. When the ~~probate division of the superior court~~ Probate Division of the Superior Court orders the whole to be sold, the balance of the proceeds after the payment of the mortgage, not exceeding ~~\$75,000.00~~ \$125,000.00 shall be under the control of the ~~court~~ Court as in case of the sale of a homestead under this chapter.

Sec. 10. 27 V.S.A. § 182 is amended to read:

§ 182. APPLICATION TO SUPERIOR COURT FOR RELIEF

When a dwelling house, outbuildings, and lands in which a homestead right exists, exceed in value ~~\$75,000.00~~, \$125,000.00 and a severance of the homestead would greatly depreciate the value of the residue of the premises or be of great inconvenience to the parties interested either in the residue or in the homestead, either party may apply for relief to the ~~superior court~~ Superior Court by a complaint setting forth the facts.

Sec. 11. 27 V.S.A. § 183 is amended to read:

§ 183. TRANSFER OR SALE IN LIEU OF SEVERANCE

When it appears upon hearing that such homestead cannot be occupied in severalty without great inconvenience to the parties interested therein or in such residue, the ~~court~~ Court may order such homestead to be transferred to such other parties and the payment of ~~\$75,000.00~~ \$125,000.00 to the owner thereof, or, at the option of the owner, ~~such court~~ the Court may order the parties to transfer such residue to him or her and order him or her thereupon to pay such other parties the value thereof to be fixed by the ~~court~~ Court. If the case requires, the ~~court~~ Court may order a sale of the whole premises and apportion the proceeds between the parties, and the ~~court~~ Court may make such orders in the premises as are equitable. If such homestead is sold, the ~~court~~ Court may control the investment of the proceeds of the sale in a new homestead or make such disposition thereof as equity requires.

Sec. 12. 4 V.S.A. § 1111 is added to read:

§ 1111. CIVIL VIOLATION; FAILURE TO PRODUCE IDENTIFICATION

(a) A law enforcement officer is authorized to detain a person if:

(1) the officer has reasonable grounds to believe the person has committed a civil violation of Title 7, 10, 13, 18, or 23; and

(2) the person refuses to identify himself or herself satisfactorily to the officer when requested by the officer.

(b) The person may be detained under this section only until the person identifies himself or herself satisfactorily to the officer or is properly identified. If the officer is unable to obtain the identification information, the person shall forthwith be brought before a judge in the Criminal Division of the Superior Court for that purpose. A person who refuses to identify himself or herself to the Court on request shall immediately and without service of an order on the person be subject to civil contempt proceedings pursuant to 12 V.S.A. § 122.

Sec. 13. 18 V.S.A. § 4230a(e) is amended to read:

~~(e)(1) Upon request by a law enforcement officer who reasonably suspects that a person has committed or is committing a violation of this section, the person shall give his or her name and address to the law enforcement officer and shall produce a motor vehicle operator's license, an identification card, a passport, or another suitable form of identification.~~

~~(2)~~ A law enforcement officer is authorized to detain a person if:

(A) the officer has reasonable grounds to believe the person has violated this section; and

(B) the person refuses to identify himself or herself satisfactorily to the officer when requested by the officer.

~~(3)~~(2) The person may be detained only until the person identifies himself or herself satisfactorily to the officer or is properly identified. If the officer is unable to obtain the identification information, the person shall forthwith be brought before a judge in the Criminal Division of the Superior Court for that purpose. A person who refuses to identify himself or herself to the Court on request shall immediately and without service of an order on the person be subject to civil contempt proceedings pursuant to 12 V.S.A. § 122.

Sec. 14. 24 V.S.A. § 1983(b) is amended to read as follows:

(b) The person may be detained only until the person identifies himself or herself satisfactorily to the officer or is properly identified. If the officer is unable to obtain the identification information, the person shall forthwith be brought before a Criminal Division of the Superior Court judge for that purpose. A person who refuses to identify himself or herself to the Court on request shall immediately and without service of an order on the person be subject to civil contempt proceedings pursuant to 12 V.S.A. § 122.

Sec. 15. 2008 Acts and Resolves No. 179, Sec. 22(a), as amended by 2010 Acts and Resolves No. 157, Sec. 14, by 2012 Acts and Resolves No. 104, Sec. 38, and by 2013 Acts and Resolves No. 41, Sec. 1a, is further amended to read:

(a) Secs. 11 and 12 ~~of this act~~ shall take effect on July 1, ~~2014~~ 2017.

Sec. 15. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; Third Reading Ordered; Rules Suspended; Senate Resolution Adopted

S.R. 14.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate resolution entitled:

Senate resolution relating to bad faith patent assertion.

Was taken up for immediate consideration.

Thereupon, Senator Mullin, for the Committee on Economic Development, Housing and General Affairs, to which the Senate resolution was referred, reported that the resolution ought to be adopted.

Thereupon, the Senate resolution was read the second time by title only pursuant to Rule 43, and third reading of the Senate resolution was ordered.

Thereupon, on motion of Senator Baruth, the rules were suspended and the resolution was placed on all remaining stages of its adoption forthwith.

Thereupon, the resolution was read the third time and adopted.

Rules Suspended; House Proposal of Amendment Concurred In

S. 237.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to civil forfeiture proceedings in cases of animal cruelty.

Was taken up for immediate consideration.

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

First: In Sec. 1, 13 V.S.A. § 354, in subsection (d), in the second sentence, after the words “motion for forfeiture” by adding, if a criminal charge has been filed, or a petition for forfeiture if no criminal charge has been filed

Second: In Sec. 1, 13V.S.A. § 354, in subdivision (f)(2), after the second sentence by adding “Upon request of the other party or the Court, the party offering an affidavit shall make the affiant available by telephone at the hearing.”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate**

S. 234.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to Medicaid coverage for home telemonitoring services.

Was taken up for immediate consideration.

Senator Pollina, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 234. An act relating to Medicaid coverage for home telemonitoring services.

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposals of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 33 V.S.A. § 1901g is added to read:

§ 1901g. MEDICAID COVERAGE FOR HOME TELEMONITORING SERVICES

(a) The Agency of Human Services shall provide Medicaid coverage for home telemonitoring services performed by home health agencies or other qualified providers as defined by the Agency of Human Services for Medicaid beneficiaries who have serious or chronic medical conditions that can result in frequent or recurrent hospitalizations and emergency room admissions. Beginning on July 1, 2014, the Agency shall provide coverage for home telemonitoring for one or more conditions or risk factors for which it determines, using reliable data, that home telemonitoring services are appropriate and that coverage will be budget-neutral. The Agency may expand coverage to include additional conditions or risk factors identified using evidence-based best practices if the expanded coverage will remain budget-neutral or as funds become available.

(b) A home health agency or other qualified provider shall ensure that clinical information gathered by the home health agency or other qualified provider while providing home telemonitoring services is shared with the patient's treating health care professionals. The Agency of Human Services

may impose other reasonable requirements on the use of home telemonitoring services.

(c) As used in this section:

(1) “Home health agency” means an entity that has received a certificate of need from the State to provide home health services and is certified to provide services pursuant to 42 U.S.C. § 1395x(o).

(2) “Home telemonitoring service” means a health service that requires scheduled remote monitoring of data related to a patient’s health, in conjunction with a home health plan of care, and access to the data by a home health agency or other qualified provider as defined by the Agency of Human Services.

Sec. 2. GRANT FUNDING

The Department of Vermont Health Access and home health agencies shall seek to maximize opportunities for grant funding to offset start-up, equipment, technology, maintenance, and other costs related to home telemonitoring in order to minimize the expense to the Medicaid program.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2014.

*ANTHONY POLLINA
VIRGINIA V. LYONS
CLAIRE D. AYER*

Committee on the part of the Senate

*CHRISTOPHER A. PEARSON
DOUGLAS A. GAGE
ANNE T. O'BRIEN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

House Proposal of Amendment Concurred In

S. 269.

House proposal of amendment to Senate bill entitled:

An act relating to business consumer protection and data security breaches.

Was taken up.

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

In Sec. 1, in 9 V.S.A. § 2435(b)(4), in subdivision (B), by striking out “phone” and inserting in lieu thereof telephone and by inserting a new Sec. 2 to read:

Sec. 2. 8 V.S.A. § 3666 is added to read:

§ 3666. RULES; METHODS OF NOTICE

Notwithstanding the requirements under sections 3883, 4226, and 4714 of this title, the Commissioner of Financial Regulation shall adopt rules specifying the methods by which a notice to a party required under section 3880, 3881, 4224, 4225, 4712, or 4713 of this title shall be given.

And by renumbering the remaining section to be numerically correct.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senator Mullin moved that the Senate concur in the House proposal of amendment with an amendment, as follows:

By striking out Sec. 2 in its entirety and by renumbering the remaining sections to be numerically correct.

Which was agreed to.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 297.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to duties and functions of the Department of Public Service.

Was taken up for immediate consideration.

Senator Bray, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 297. An act relating to duties and functions of the Department of Public Service.

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

* * * Legislative Purpose; Findings * * *

Sec. 1. LEGISLATIVE PURPOSE; FINDINGS

It is the intent of the General Assembly to maintain a robust and modern telecommunications network in Vermont by making strategic investments in improved technology for all Vermonters. To achieve that goal, it is the purpose of this act to upgrade the State's telecommunications objectives and reorganize government functions in a manner that results in more coordinated and efficient State programs and policies, and, ultimately, produces operational savings that may be invested in further deployment of broadband and mobile telecommunications services for the benefit of all Vermonters. In addition, it is the intent of the General Assembly to update and provide for a more equitable application of the Universal Service Fund (USF) surcharge. Together, these operational savings and additional USF monies will raise at least \$1 million annually, as follows:

(1) \$650,000.00 from an increase in the USF charge to a flat two percent;

(2) \$450,000.00 from application of the USF charge to prepaid wireless telecommunications service providers; and

(3) \$300,000.00 in operational savings from the transfer and consolidation of State telecommunications functions.

* * * Universal Service Fund * * *

Sec. 2. 30 V.S.A. § 7501 is amended to read:

§ 7501. PURPOSE; DEFINITIONS

(a) It is the purpose of this act to create a financial structure that will allow every Vermont household to obtain basic telecommunications service at an affordable price, and to finance that structure with a proportional charge on all telecommunications transactions that interact with the public switched network.

(b) As used in this chapter:

(1) "Basic telecommunications service" means that a customer has available at his or her location:

(A) switched voice grade interactive telecommunications service permitting origination and termination of calls;

(B) the ability to transmit network switching instructions through tones generated by customer-owned equipment;

(C) the ability to transmit and receive the customer's computer-generated digital data, either by digital or analog transmission, reliably and at common transmission rates, using customer-owned equipment;

(D) the ability to communicate quickly and effectively with emergency response personnel; and

(E) telecommunications relay service, as authorized under section 218a of this title.

(2) "Interactive" means that a communications medium is regularly used to transmit information in two directions.

(3) "Line in service" means a circuit or channel connecting a customer to the public switched network or to the Internet.

(4) "Private network" means a telecommunications system entirely owned and operated by a single corporate or individual person other than a telecommunications service provider and not available to the general public.

~~(4)~~(5) "Public switched network" means the communications network owned and operated by telecommunications service providers, some of whom are common carriers.

(6) "Service area" means:

(A) in the case of a rural telephone company, the company's study area as approved by the Federal Communications Commission; or

(B) in the case of a local exchange carrier, other than a rural telephone company, the carrier's local exchange service area as approved by the Public Service Board.

(7) "Service location" means a business or residential geographic point of contact of a telecommunications service for purposes of the enhanced-911 network. The number of service locations in each exchange shall be determined by the Department of Public Service in periodic updates to the State Telecommunications Plan based on analysis of the locations in the database of the Vermont Enhanced-911 Board.

~~(5)~~(8) "Telecommunications service" means the transmission of any interactive electromagnetic communications that passes through the public switched network. The term includes, ~~but is not limited to,~~ transmission of voice, image, data, and any other information, by means of ~~but not limited to~~ wire, electric conductor cable, optic fiber, microwave, radio wave, or any combinations of such media, and the leasing of any such service.

(A) Telecommunications service includes ~~but is not limited to:~~

(i) local telephone service, including any facility or service provided in connection with such local telephone service;

- (ii) toll telephone service;
- (iii) directory assistance;
- (iv) two-way cable television service; and
- (v) mobile telephone or telecommunication service, both analog and digital.

(B) Notwithstanding the ~~above, for purposes of provisions of this subdivision~~ (8), as used in this chapter, telecommunications service does not include:

(i) Services consisting primarily of the creation of artistic material or other information that is later transmitted over telecommunications equipment, including information services and electronic bulletin boards, but only to the extent that charges for such information processing are separated from charges for other telecommunications services, and only to the extent that such information is not used by any telecommunications service provider in the administration of the telecommunications network.

(ii) Mobile radio and paging services that do not have an electronic interface into the public switched network.

(iii) Private network services; provided, however, that payments by a private network to a telecommunications service provider, such as for point-to-point transmission services, are not exempt under this subdivision.

(iv) [Repealed.]

(v) Telecommunications services paid for at the point of purchase by depositing coins or currency.

(vi) Charges incurred by utilizing prepaid telephone calling cards or prepaid authorization numbers.

~~(6)~~(9) “Telecommunications service provider” means a company required by law to hold a certificate of public good from the ~~public service board~~ Public Service Board to offer telecommunications service for intrastate service, or is authorized by the Federal Communications Commission to offer interstate telecommunications service.

Sec. 3. 30 V.S.A. § 7511(5) is amended to read:

(5) ~~To reduce the cost to customers of basic telecommunications service in high cost areas, in the manner provided by section 7515 of this title to support the Connectivity Fund established in section 7516 of this chapter.~~

Sec. 4. 30 V.S.A. § 7516 is added to read:

§ 7516. CONNECTIVITY FUND

There is created a Connectivity Fund for the purpose of providing support to the High-Cost Program established under section 7515 of this chapter and the Connectivity Initiative established under section 7515b of this chapter. The fiscal agent shall determine annually, on or before September 1, the amount of monies available to the Connectivity Fund. Such funds shall be apportioned equally to the High-Cost Program and the Connectivity Initiative referenced in this section.

Sec. 5. 30 V.S.A. § 7515 is amended to read:

§ 7515. HIGH-COST PROGRAM

(a) ~~The General Assembly intends that the universal service charge shall be used in the future as a means of keeping basic telecommunications service affordable in all parts of this State, thereby maintaining universal service, and as a means of supporting access to broadband service in all parts of the State.~~

(b) ~~The Commissioner of Public Service, in conjunction with the Public Service Board, shall conduct a study of the costs and other factors affecting the delivery of local exchange service by the incumbent local exchange carriers (the providers of last resort). The study shall include an informal workshop process to be conducted by the Board. Such process shall be noticed to the general public and structured to allow written and verbal comments by the general public, service providers, public officials, and others as determined by the Board. The study shall:~~

~~(1) After considering information on how various factors affect the costs of providing telecommunications service in Vermont and elsewhere, estimate the current costs and estimate, on a forward looking basis, the differential costs of providing local exchange service to various customer groups throughout Vermont.~~

~~(2) Estimate the relationship between basic telecommunications service charges and universal service, and the threshold level beyond which universal residential service is likely to be harmed.~~

~~(3) Estimate the relationship between basic telecommunications service charges and opportunities for uniform economic development throughout the State, and the threshold prices beyond which such opportunities may be adversely affected.~~

~~(4) Estimate the potential effects of local exchange competition on uniform and affordable basic telecommunications service charges in all parts of the State.~~

~~(5) Examine policy options by which the cost to customers may be managed so as not to jeopardize universal service and the uniform economic development opportunities, including at least the following:~~

~~(A) establishing a maximum price for basic telecommunications service, beyond which customers would have access, without regard to income, to credits or vouchers negotiable for local exchange service from a local exchange provider or competitive access provider;~~

~~(B) broadening eligibility for the Lifeline program; and~~

~~(C) establishing a mechanism to adjust the level of support for higher cost customers over time to reflect legal rights, recover historic costs, and reflect the advantages of improved technology and increased efficiency.~~

~~(6) Examine the actions, if any, of the Federal Communications Commission (FCC) in revising its Universal Service Fund, and the need, if any, for additional action in Vermont. In particular, the study shall examine the impact on Vermont services caused by the FCC's report and order released November 18, 2011, which, among other things, expands the federal Universal Service Fund to include broadband deployment in unserved areas. Further, the study shall consider the potential impact of various legal challenges to the FCC action on the federal Universal Service Fund.~~

~~(7) Propose mechanisms to support universal service and rural economic development while securing the benefits of telecommunications competition for Vermont households and businesses.~~

~~(8) Include an audit of the Universal Service Fund to examine, among other things, the contributions made to the fund in terms of the categories of telecommunications service providers covered as well as the specific services charged. In addition, the audit shall assess the disbursements made from the Fund.~~

~~(9) Consider any other relevant issues that may arise during the course of the study.~~

~~(e) The results of the study, together with any plan for amending and distributing funds under this section, shall be submitted to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on or before December 1, 2012.~~

~~(d) The Commissioner of Public Service may contract with a consultant to conduct the study required by this section. Costs incurred in conducting the study shall be reimbursed from the State Universal Service Fund up to \$75,000.00.~~

~~(e) To the extent this study may require disclosure of confidential information by a telecommunications service provider, such confidential~~

~~information shall be disclosed to a third party pursuant to a protective agreement. In no event shall the third party be a person or persons employed by a business competitor or whose primary duties engage them in business competition with a telecommunications service provider submitting the confidential information. The third party may be the consultant retained by the Commissioner under subsection (d) of this section or may be another third party agreed upon by the Commissioner and the telecommunications service providers. The third party shall be responsible for aggregating the information and, once aggregated, may publicly disclose such information consistent with the purposes of this section. The confidentiality requirements of this subsection shall not affect whether information provided to an agency of the State or a political subdivision of the State pursuant to other laws is or is not subject to disclosure.~~ The Public Service Board, after review of a petition of a company holding a certificate of public good to provide telecommunications service in Vermont, and upon finding that the company meets all requirements for designation as an “eligible telecommunications carrier” as defined by the FCC, may designate the company as a Vermont-eligible telecommunications carrier (VETC).

(c) The supported services a designated VETC must provide are voice telephony services, as defined by the FCC, and broadband Internet access, directly or through an affiliate. A VETC receiving support under this section shall use that support for capital improvements in high cost areas to build broadband capable networks.

(d) The Board may designate multiple VETCs for a single high cost area, but each designated VETC shall:

(1) offer supported services to customers at all locations throughout the service area or areas for which it has been designated; and

(2) for its voice telephone services, meet service quality standards set by the Board.

(e) A VETC shall receive support as defined in subsection (i) of this section from the fiscal agent of the Vermont Universal Service Fund for each telecommunications line in service or service location, whichever is greater in number, in each high cost area it services. Such support may be made in the form of a net payment against the carrier’s liability to the Fund. If multiple VETCs are designated for a single area, then each VETC shall receive support for each line it has in service.

(f) As used in this section, a Vermont telephone exchange is a “high cost area” if the exchange is served by a rural telephone company, as defined by federal law, or if the exchange is designated as a rural exchange in the wholesale tariff of a regional bell operating company (RBOC), as defined by

the FCC, or of a successor company to an RBOC. An exchange is not a high cost area if the Public Service Board finds that the supported services are available to all locations throughout the exchange from at least two service providers.

(g) Except as provided in subsection (h) of this section, a VETC shall provide broadband Internet access at speeds meeting 4 Mbps download and 1 Mbps upload in each high cost area it serves within five years of designation. A VETC need not provide broadband service to a location that has service available from another service provider, as determined by the Department of Public Service.

(h) The Public Service Board may modify the build out requirements of subsection (d) of this section as it relates to broadband Internet access to be the geographic area that could be reached using one-half of the funds to be received over five years. A VETC may seek such waiver of the build out requirements in subsection (c) within one year of designation and shall demonstrate the cost of meeting broadband Internet access requirements on an exchange basis and propose an alternative build out plan.

(i) The amount of the monthly support under this section shall be the pro rata share of available funds as provided in subsection (e) of this section.

(j) The Public Service Board shall adopt by rule standards and procedures for ensuring projects funded under this section are not competitive overbuilds of existing wired telecommunications services.

(k) Each VETC shall submit certification that it is meeting the requirements of this section and an accounting of how it expended the funds received under this section in the previous calendar year with its annual report to the Department of Public Service. For good cause shown, the Public Service Board may investigate submissions required by this subsection and may revoke a company's designation if it finds that the company is not meeting the requirements of this subsection.

Sec. 6. 30 V.S.A. § 7515b is added to read:

§ 7515b. CONNECTIVITY INITIATIVE

(a) The purpose of the Connectivity Initiative is to provide each service location in Vermont access to Internet service that is capable of speeds of at least 4 Mbps download and 1 Mbps upload, beginning with locations not served as of December 31, 2013 according to the minimum technical service characteristic objectives applicable at that time. Within this category of service locations, priority shall be given first to unserved and then to underserved locations. As used in this section, "unserved" means a location having access to only satellite or dial-up Internet service and "underserved"

means a location having access to Internet service with speeds that exceed satellite and dial-up speeds but are less than 4 Mbps download and 1 Mbps upload. Any new services funded in whole or in part by monies in this Fund shall be capable of being continuously upgraded to reflect the best available, most economically feasible service capabilities.

(b) The Department of Public Service shall publish annually a list of census blocks eligible for funding based on the Department's most recent broadband mapping data. The Department annually shall solicit proposals from service providers, the Vermont Telecommunications Authority, and the Division for Connectivity to deploy broadband to eligible census blocks. The Department shall give priority to proposals that reflect the lowest cost of providing services to unserved and underserved locations; however, the Department also shall consider:

(1) the proposed data transfer rates and other data transmission characteristics of services that would be available to consumers;

(2) the price to consumers of services;

(3) the proposed cost to consumers of any new construction, equipment installation service, or facility required to obtain service;

(4) whether the proposal would use the best available technology that is economically feasible;

(5) the availability of service of comparable quality and speed; and

(6) the objectives of the State's Telecommunications Plan.

Sec. 7. 30 V.S.A. § 7523 is amended to read:

§ 7523. RATE ADJUSTED ANNUALLY OF CHARGE

~~(a) Annually, after considering the probable expenditures for programs funded pursuant to this chapter, the probable service revenues of the industry and seeking recommendations from the department, the public service board shall establish a rate of charge to apply during the 12 months beginning on the following September 1. However, the rate so established shall not at any time exceed two percent of retail telecommunications service. The board's decision shall be entered and announced each year before July 15. However, if the general assembly does not enact an authorization amount for E-911 before July 15, the board may defer decision until 30 days after the E-911 authorization is established, and the existing charge rate shall remain in effect until the board establishes a new rate. Beginning on July 1, 2014, the rate of charge shall be two percent of retail telecommunications service.~~

(b) Universal service charges imposed and collected by the fiscal agent under this subchapter shall not be transferred to any other fund or used to

support the cost of any activity other than in the manner authorized by section 7511 of this title.

* * * State Telecommunications Policy; Planning; Reporting * * *

Sec. 8. 30 V.S.A. § 202c is amended to read:

§ 202c. STATE TELECOMMUNICATIONS; POLICY AND PLANNING

(a) The General Assembly finds that advances in telecommunications technology and changes in federal regulatory policy are rapidly reshaping telecommunications services, thereby promising the people and businesses of the State communication and access to information, while creating new challenges for maintaining a robust, modern telecommunications network in Vermont.

(b) Therefore, to direct the benefits of improved telecommunications technology to all Vermonters, it is the purpose of this section and section 202d of this title to:

(1) ~~Strengthen~~ strengthen the State's role in telecommunications planning;:

(2) ~~Support~~ support the universal availability of appropriate infrastructure and affordable services for transmitting voice and high-speed data;:

(3) ~~Support~~ support the availability of modern mobile wireless telecommunications services along the State's travel corridors and in the State's communities;:

(4) ~~Provide~~ provide for high-quality, reliable telecommunications services for Vermont businesses and residents;:

(5) ~~Provide~~ provide the benefits of future advances in telecommunications technologies to Vermont residents and businesses;:

(6) ~~Support~~ support competitive choice for consumers among telecommunications service providers and promote open access among competitive service providers on nondiscriminatory terms to networks over which broadband and telecommunications services are delivered;:

(7) ~~Support, to the extent practical and cost effective,~~ support the application of telecommunications technology to maintain and improve governmental and public services, public safety, and the economic development of the State;:

(8) ~~Support~~ support deployment of broadband infrastructure that:

(A) ~~Uses~~ uses the best commercially available technology;:

(B) ~~Does~~ does not negatively affect the ability of Vermont to take advantage of future improvements in broadband technology or result in widespread installation of technology that becomes outmoded within a short period after installation;

(9) ~~In~~ in the deployment of broadband infrastructure, encourage the use of existing facilities, such as existing utility poles and corridors and other structures, in preference to the construction of new facilities or the replacement of existing structures with taller structures; and

(10) support measures designed to ensure that by the end of the year 2024 every E-911 business and residential location in Vermont has infrastructure capable of delivering Internet access with service that has a minimum download speed of 100 Mbps and is symmetrical.

Sec. 9. 30 V.S.A. § 202d is amended to read:

§ 202d. TELECOMMUNICATIONS PLAN

(a) ~~The department of public service~~ Department of Public Service shall constitute the responsible planning agency of the ~~state~~ State for the purpose of obtaining for all consumers in the ~~state~~ State stable and predictable rates and a technologically advanced telecommunications network serving all service areas in the ~~state~~ State. ~~The department of public service~~ Department shall be responsible for the provision of plans for meeting emerging trends related to telecommunications technology, markets, financing, and competition.

(b) ~~The department of public service~~ Department shall prepare a ~~telecommunications plan~~ Telecommunications Plan for the ~~state~~ State. ~~The department of innovation and information~~ Department of Innovation and Information, ~~the Division for Connectivity and the agency of commerce and community development~~ Agency of Commerce and Community Development shall assist the ~~department of public service~~ Department of Public Service in preparing the ~~plan~~ Plan. ~~The plan~~ Plan shall be for a ~~seven-year~~ ten-year period and shall serve as a basis for ~~state~~ State telecommunications policy. Prior to preparing the ~~plan~~ Plan, the ~~department of public service~~ Department shall prepare:

(1) an overview, looking ~~seven~~ ten years ahead, of future requirements for telecommunications services, considering services needed for economic development, technological advances, and other trends and factors which, as determined by the ~~department of public service~~ Department of Public Service, will significantly affect ~~state~~ State telecommunications policy and programs;

(2) a survey of Vermont residents and businesses, conducted in cooperation with the ~~agency of commerce and community development~~ Agency of Commerce and Community Development and the Division for

Connectivity, to determine what telecommunications services are needed now and in the succeeding ~~seven~~ ten years;

(3) an assessment of the current state of telecommunications infrastructure;

(4) an assessment, conducted in cooperation with the ~~department of innovation and information~~ Department of Innovation and Information and the Division for Connectivity, of the current ~~state~~ State telecommunications system and evaluation of alternative proposals for upgrading the system to provide the best available and affordable technology for use by government; and

(5) an assessment of the state of telecommunications networks and services in Vermont relative to other states, including price comparisons for key services and comparisons of the state of technology deployment.

(c) In developing the ~~plan~~ Plan, the ~~department~~ Department shall take into account the policies and goals of section 202c of this title.

(d) In establishing plans, public hearings shall be held and the ~~department of public service~~ Department shall consult with members of the public, representatives of telecommunications utilities, other providers, and other interested ~~state~~ State agencies, particularly the ~~agency of commerce and community development~~ Agency of Commerce and Community Development, the Division for Connectivity, and the ~~department of innovation and information~~ Department of Innovation and Information, whose views shall be considered in preparation of the ~~plan~~ Plan. To the extent necessary, the ~~department of public service~~ Department shall include in the ~~plan~~ Plan surveys to determine existing, needed, and desirable plant improvements and extensions, access and coordination between telecommunications providers, methods of operations, and any change that will produce better service or reduce costs. To this end, the ~~department of public service~~ Department may require the submission of data by each company subject to supervision by the ~~public service board~~ Public Service Board.

(e) Before adopting a ~~plan~~ Plan, the ~~department~~ Department shall conduct public hearings on a final draft and shall consider the testimony presented at such hearings in preparing the final ~~plan~~ Plan. At least one hearing shall be held jointly with ~~committees~~ Committees of the ~~general assembly~~ General Assembly designated by the ~~general assembly~~ General Assembly for this purpose. The ~~plan~~ Plan shall be adopted by ~~September 1, 2004~~ September 1, 2014.

(f) The ~~department~~ Department, from time to time, but in no event less than every three years, institute proceedings to review a ~~plan~~ Plan and make revisions, where necessary. The three-year major review shall be made

according to the procedures established in this section for initial adoption of the ~~plan~~ Plan. For good cause or upon request by a ~~joint resolution~~ Joint Resolution passed by the ~~general assembly~~ General Assembly, an interim review and revision of any section of the ~~plan~~ Plan may be made after conducting public hearings on the interim revision. At least one hearing shall be held jointly with ~~committees~~ Committees of the ~~general assembly~~ General Assembly designated by the ~~general assembly~~ General Assembly for this purpose.

(g) The Department shall review and update the minimum technical service characteristic objectives not less than every three years beginning in 2017. In the event such review is conducted separately from an update of the Plan, the Department shall issue revised minimum technical service characteristic objectives as an amendment to the Plan.

Sec. 10. 3 V.S.A. § 2222b is amended to read:

§ 2222b. TELECOMMUNICATIONS; COORDINATION AND PLANNING

(a) The Secretary of Administration or designee shall be responsible for the coordination of telecommunications initiatives among Executive Branch agencies, departments, and offices.

(b) In furtherance of the goals set forth in 30 V.S.A. § 8060(b), the Secretary shall have the following duties:

(1) from information reasonably available after public notice to and written requests made of mobile telecommunications and broadband service providers, to develop and maintain an inventory of locations at which mobile telecommunications and broadband services are not available within the State, develop and maintain an inventory of infrastructure that is available or reasonably likely to be available to support provision of services to unserved areas, and develop and maintain an inventory of infrastructure necessary for provision of these services to the unserved areas;

(2) to identify the types and locations of infrastructure and services needed to accomplish the goals of this chapter;

(3) to formulate, on or before December 15, 2014, an action plan to accomplish the goals of universal availability of broadband and mobile telecommunications services ~~by the end of the year 2013~~;

(4) to coordinate the agencies of the State to make public resources available to support the extension of mobile telecommunications and broadband infrastructure and services to all unserved areas;

(5) to support and facilitate initiatives to extend the availability of mobile telecommunications and broadband services, and to promote development of the infrastructure that enables the provision of these services;

(6) through the Department of Innovation and Information, to aggregate and broker access at reduced prices to services and facilities required to provide wireless telecommunications and broadband services; and to waive or reduce State fees for access to state-owned rights-of-way in exchange for comparable value to the State, unless payment for use is otherwise required by federal law;

(7) to review all financial transactions, statements, and contracts of the Vermont ~~telecommunications authority~~ Telecommunications Authority established under 30 V.S.A. § 8061; and

(8) to receive all technical and administrative assistance as deemed necessary by the Secretary of Administration.

(c) Deployment tracking.

(1) Not later than 30 days after the effective date of this act, all persons proposing to construct or install Vermont cables, wires, or telecommunications facilities as defined in 30 V.S.A. § 248a(b)(1) shall file plans with the Secretary if the construction or installation relates to the deployment of broadband infrastructure and is funded in whole or in part pursuant to the American Recovery and Reinvestment Act of 2009, Pub.L. No. 111-5, or by funds granted or loaned by the State of Vermont or one of its instrumentalities.

(2) The plans filed pursuant to subdivision (1) of this subsection shall include data identifying the projected coverage area, the projected average speed of service, service type, and the anticipated date of completion in addition to identifying the location and routes of proposed cables, wires, and telecommunications facilities, and shall be updated every 90 days.

(3) The Secretary shall use the information provided pursuant to this subsection in performing the duties set forth in subsection (b) of this section.

(4) The Secretary shall keep confidential the plans submitted to him or her under this subsection except that, pursuant to a nondisclosure agreement, the ~~secretary~~ Secretary may disclose the information to ~~the Vermont Center for Geographic Information created under 10 V.S.A. § 122~~ or to some other person ~~or an~~ an entity for the purpose of aggregating the information. Information so disclosed shall remain confidential.

(5) The Secretary may request voluntary disclosure of information such as that set forth in subdivision (2) of this subsection regarding deployment of broadband, telecommunications facilities, or advanced metering infrastructure that is not publicly funded. The Secretary may enter into a nondisclosure agreement with respect to any such voluntary disclosures and the information disclosed pursuant thereto shall remain confidential. Alternatively, entities that voluntarily provide information requested pursuant to this subdivision may

select a third party to be the recipient of such information. That third party may aggregate information provided by the entities, but shall not disclose the information it has received to any person, including the Secretary. The third party may only disclose the aggregated information to the Secretary.

(6) The Secretary may publicly disclose aggregated information based upon the information provided pursuant to this subsection.

(7) The confidentiality requirements of subdivisions (4) and (5) of this subsection shall not affect whether information provided to an agency of the state or a political subdivision of the state pursuant to other laws is or is not subject to disclosure.

Sec. 11. 3 V.S.A. § 2222c is amended to read:

§ 2222c. BROADBAND AND WIRELESS DEPLOYMENT

* * *

(b) Report; broadband and wireless deployment; underserved and unserved areas. On or before ~~January 30, 2012~~ December 15, 2014, the Secretary of Administration or designee shall report to the General Assembly each of the following:

(1) As of ~~January 1, 2014~~ December 15, 2014, based upon data submitted by the providers, the areas of the State that will not be served by broadband. The report shall reflect both areas currently served as of the date of the report, as well as areas proposed to be served on or before ~~January 1, 2014~~ January 1, 2016, including broadband and wireless communications services funded in whole or in part pursuant to the American Recovery and Reinvestment Act of 2009, Pub.L. No. 111-5. The report shall include a map and a narrative description of each of the following, as of ~~January 1, 2014~~ December 15, 2014:

(A) The areas served and the areas not served by broadband that has a download speed of at least 0.768 Mbps and an upload speed of at least 0.2 Mbps.

(B) The areas served and the areas not served by broadband that has a combined download and upload speed of at least five Mbps.

(C) The areas served and the areas not served by wireless communications service.

(2) Estimates as can reasonably be identified of the cost to:

(A) Provide broadband that has a download speed of at least 0.768 Mbps and an upload speed of at least 0.2 Mbps to areas not served by such broadband.

(B) Provide broadband that has a combined download and upload speed of at least five Mbps to areas not served by such broadband.

(C) Provide wireless communications service to the areas identified under subdivision (1)(C) of this subsection as not receiving such service.

Sec. 12. 3 V.S.A. § 2225 is added to read:

§ 2225. DIVISION FOR CONNECTIVITY

(a) Creation. The Division for Connectivity is created within the Agency of Administration as the successor in interest to and the continuation of the Vermont Telecommunications Authority. A Director for Connectivity shall be appointed by the Secretary of Administration. The Division shall receive administrative support from the Agency.

(b) Purposes. The purposes of the Division are to promote:

(1) access to affordable broadband service to all residences and businesses in all regions of the State, to be achieved in a manner that is consistent with the State Telecommunications Plan;

(2) universal availability of mobile telecommunication services, including voice and high-speed data along roadways, and near universal availability statewide;

(3) investment in telecommunications infrastructure in the State that creates or completes the network for service providers to create last-mile connection to the home or business and supports the best available and economically feasible service capabilities;

(4) the continuous upgrading of telecommunications and broadband infrastructure in all areas of the State is to reflect the rapid evolution in the capabilities of available mobile telecommunications and broadband technologies, and in the capabilities of mobile telecommunications and broadband services needed by persons, businesses, and institutions in the State; and

(5) the most efficient use of both public and private resources through State policies by encouraging the development of open access telecommunications infrastructure that can be shared by multiple service providers.

(c) Duties. To achieve its purposes, the Division shall:

(1) provide resources to local, regional, public, and private entities in the form of grants, technical assistance, coordination, and other incentives;

(2) prioritize the use of existing buildings and structures, historic or otherwise, as sites for visually-neutral placement of mobile telecommunications and wireless broadband antenna facilities;

(3) inventory and assess the potential to use federal radio frequency licenses held by instrumentalities of the State to enable broadband service in unserved areas of the State; take steps to promote the use of those licensed radio frequencies for that purpose; and recommend to the General Assembly any further legislative measures with respect to ownership, management, and use of these licenses as would promote the general good of the State;

(4) coordinate telecommunications initiatives among Executive Branch agencies, departments, and offices;

(5) from information reasonably available after public notice to and written requests made of mobile telecommunications and broadband service providers, develop and maintain an inventory of locations at which mobile telecommunications and broadband services are not available within the State, develop and maintain an inventory of infrastructure that is available or reasonably likely to be available to support the provision of services to unserved areas, and develop and maintain an inventory of infrastructure necessary for the provision of these services to the unserved areas;

(6) identify the types and locations of infrastructure and services needed to carry out the purposes stated in subsection (b) of this section;

(7) formulate an action plan that conforms with the State Telecommunications Plan and carries out the purposes stated in subsection (b) of this section;

(8) coordinate the agencies of the State to make public resources available to support the extension of mobile telecommunications and broadband infrastructure and services to all unserved areas;

(9) support and facilitate initiatives to extend the availability of mobile telecommunications and broadband services, and promote development of the infrastructure that enables the provision of these services;

(10) through the Department of Innovation and Information, aggregate and broker access at reduced prices to services and facilities required to provide wireless telecommunications and broadband services; and waive or reduce State fees for access to State-owned rights-of-way in exchange for comparable value to the State, unless payment for use is otherwise required by federal law; and

(11) receive all technical and administrative assistance as deemed necessary by the Director for Connectivity.

(d)(1) Deployment. The Director may request voluntary disclosure of information regarding deployment of broadband, telecommunications facilities, or advanced metering infrastructure that is not publicly funded. Such

information may include data identifying projected coverage areas, projected average speed of service, service type, and the anticipated date of completion in addition to identifying the location and routes of proposed cables, wires, and telecommunications facilities.

(2) The Director may enter into a nondisclosure agreement with respect to any voluntary disclosures under this subsection and the information disclosed pursuant thereto shall remain confidential. Alternatively, entities that voluntarily provide information requested under this subsection may select a third party to be the recipient of such information. The third party may aggregate information provided by the entities, but shall not disclose the information it has received to any person, including the Director. The third party shall only disclose the aggregated information to the Director. The Director may publicly disclose aggregated information based upon the information provided under this subsection. The confidentiality requirements of this subsection shall not affect whether information provided to any agency of the State or a political subdivision of the State pursuant to other laws is or is not subject to disclosure.

(e) Minimum technical service characteristics. The Division only shall promote the expansion of broadband services that offer actual speeds that meet or exceed the minimum technical service characteristic objectives contained in the State's Telecommunications Plan.

(f) Annual Report. Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the Director shall submit a report of its activities for the preceding fiscal year to the General Assembly. Each report shall include an operating and financial statement covering the Division's operations during the year, including a summary of all grant awards and contracts and agreements entered into by the Division, as well as the action plan required under subdivision (c)(7) of this section. In addition, the report shall include an accurate map and narrative description of each of the following:

(1) the areas served and the areas not served by wireless communications service, as identified by the Department of Public Service, and cost estimates for providing such service to unserved areas;

(2) the areas served and the areas not served by broadband that has a download speed of at least 0.768 Mbps and an upload speed of at least 0.2 Mbps, as identified by the Department of Public Service, and cost estimates for providing such service to unserved areas;

(3) the areas served and the areas not served by broadband that has a combined download and upload speed of at least 5 Mbps, as identified by the Department of Public Service, and the costs for providing such service to unserved areas; and

(4) the areas served and the areas not served by broadband that has a download speed of at least 100 Mbps and is symmetrical, as identified by the Department of Public Service, and the costs for providing such service to unserved areas.

Sec. 13. REPEAL

3 V.S.A. § 2222b (Secretary of Administration responsible for coordination and planning); 3 V.S.A. § 2222c (Secretary of Administration to prepare deployment report); 30 V.S.A. § 8077 (minimum technical service characteristics); and 30 V.S.A. § 8079 (broadband infrastructure investment) are repealed.

Sec. 14. CREATION OF POSITIONS; TRANSFER OF VACANT POSITIONS; REEMPLOYMENT RIGHTS

(a) The following exempt positions are created within the Division for Connectivity: one full-time Director and up to six additional full-time employees as deemed necessary by the Secretary of Administration.

(b) The positions created under subsection (a) of this section shall only be filled to the extent there are existing vacant positions in the Executive Branch available to be transferred and converted to the new positions in the Division for Connectivity, as determined by the Secretary of Administration and the Commissioner of Human Resources, so that the total number of authorized positions in the State shall not be increased by this act.

(c) All full-time personnel of the Vermont Telecommunications Authority employed by the Authority on the day immediately preceding the effective date of this act, who do not obtain a position in the Division for Connectivity pursuant to subsection (a) of this section, shall be entitled to the same reemployment or recall rights available to non-management State employees under the existing collective bargaining agreement entered into between the State and the Vermont State Employees' Association.

Sec. 15. TRANSITIONAL PROVISIONS

(a) Personnel. The Secretary of Administration shall determine where the offices of the Division for Connectivity shall be housed.

(b) Assets and liabilities. The Secretary of Administration shall develop a plan for transferring the assets and liabilities of the Vermont Telecommunications Authority (VTA) to the Agency of Administration or to another entity, as deemed appropriate.

(c) Legal and contractual obligations. The Executive Director of the VTA, in consultation with the Secretary of Administration, shall identify all grants and contracts of the VTA and create a plan to redesignate the Agency of

Administration as the responsible entity. The plan shall ensure that all existing grantors, grantees, and contractors are notified of the redesignation.

* * * Conduit Standards; Public Highways * * *

Sec. 16. 3 V.S.A. § 2226 is added to read:

§ 2226. PUBLIC HIGHWAYS; CONDUIT STANDARDS

(a) Intent. The intent of this section is to provide for the construction of infrastructure sufficient to allow telecommunications service providers seeking to deploy communication lines in the future to do so by pulling the lines through the conduit and appurtenances installed pursuant to this section. This section is intended to require those constructing public highways, including State, municipal, and private developers, to provide and install such conduit and appurtenances as may be necessary to accommodate future telecommunications needs within public highways and rights-of-way without further excavation or disturbance.

(b) Study. On or before December 15, 2014, the Secretary of Administration, in consultation with the Commissioner of Public Service, the Secretary of Transportation, and the Vermont League of Cities and Towns, shall submit a report to the General Assembly on a “Dig Once Program” consistent with the intent of subsection (a) of this section. The study shall include findings and recommendations related to the installation of conduit and such vaults and other appurtenances as may be necessary to accommodate installation and connection of telecommunications lines within conduit during highway construction projects; construction standards with due consideration given to existing and anticipated technologies and industry standards; minimum diameter of the conduit and interducts to meet the requirements of this section; the party responsible for installation costs; the ownership and availability of the conduit; and any other matters the Secretary deems appropriate.

* * * 248a Sunset * * *

Sec. 17. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

* * *

(b) Definitions. For the purposes of ~~As used in this section:~~

* * *

(4) “Telecommunications facility” means a communications facility that transmits and receives signals to and from a local, State, national, or

international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.

(5) "Wireless service" means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service, personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.

* * *

(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C. § 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

(A) ~~The~~ the Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and

(B) ~~A~~ a telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.

(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected

municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.

(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.

* * *

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board

on the application and in determining whether to retain additional personnel under subsection (o) of this section.

* * *

(i) Sunset of Board authority. Effective on July 1, 2014 2017, no new applications for certificates of public good under this section may be considered by the Board.

* * *

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

(n) Municipal recommendations. The Board shall consider the comments and recommendations submitted by the municipal legislative body and planning commission. The Board's decision to issue or deny a certificate of public good shall include a detailed written response to each recommendation of the municipal legislative body and planning commission.

(o) Retention; experts. The Department of Public Service may retain experts and other personnel as identified in section 20 of this title to provide information essential to a full consideration of an application for a certificate of public good under this section. The Department may allocate the expenses incurred in retaining these personnel to the applicant in accordance with section 21 of this title. The Department may commence retention of these personnel once the applicant has filed the 45-day notice under subsection (e) of this section. A municipal legislative body or planning commission may request that the Department retain these personnel. Granting such a request shall not oblige the Department or the personnel it retains to agree with the position of the municipality.

(p) Review process; guide. The Department of Public Service, in consultation with the Board, shall create, maintain, and make available to the public a guide to the process of reviewing telecommunications facilities under this section for use by local governments and regional planning commissions and members of the public who seek to participate in the process. On or before September 1, 2014, the Department shall complete the creation of this guide and make it publically available.

Sec. 18. PUBLIC SERVICE BOARD; ORDER REVISION

The Public Service Board (the Board) shall define the terms "good cause" and "substantial deference" for the purpose of 30 V.S.A. § 248a(c)(2) in accordance with the following process:

(1) Within 30 days of the effective date of this section, the Board shall provide direct notice to each municipal legislative body and planning commission, the Vermont League of Cities and Towns, the Department of Public Service, and such other persons as the Board considers appropriate, that it will be amending its procedures order issued under 30 V.S.A. § 248a(1) to include definitions of these terms. The notice shall provide an opportunity for submission of comments and recommendations and include the date and time of the workshop to be held.

(2) Within 60 days of giving notice under subdivision (1) of this section, the Board shall amend its procedures order to include definitions of these terms.

Sec. 19. REPORT; TELECOMMUNICATIONS FACILITY REVIEW PROCESS

On or before October 1, 2015, the Department of Public Service shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Finance a report assessing the telecommunications facility review process under 30 V.S.A § 248a. The report shall include the number of applications for the construction or installation of telecommunications facilities filed with the Board, the number of applications for which a certificate of public good was granted, the number of applications for which notice was filed but were then withdrawn, and the number of times the Department used its authority under 30 V.S.A. § 248(o) to allocate expenses incurred in retaining expert personnel to the applicant, during the year ending August 31, 2015.

Sec. 20. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:

(1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.

Sec. 21. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2017.

* * *

Sec. 22. REPEAL

2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.

Sec. 23. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under 10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided that the following apply:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or,~~

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

* * *

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~ 2017:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

* * * Administration Reports; Transfers and Consolidations * * *

Sec. 24. ADMINISTRATION REPORT; TRANSFERS AND CONSOLIDATION; VERMONT USF FISCAL AGENT

(a) On or before December 15, 2014, after receiving input from State and local agencies potentially impacted, the Secretary of Administration shall submit a report to the General Assembly proposing a plan for transferring the responsibilities and powers of the Enhanced 911 Board, including necessary positions, to the Division for Connectivity, the Department of Public Service, or the Department of Public Safety, as he or she deems appropriate. The plan shall include budgetary recommendations and shall strive to achieve annual operational savings of at least \$300,000.00, as well as enhanced coordination and efficiency, and reductions in operational redundancies. The report shall include draft legislation implementing the Secretary's plan. In addition, the report shall include findings and recommendations on whether it would be cost effective to select an existing State agency to serve as fiscal agent to the Vermont Universal Service Fund.

(b) As part of the report required in subsection (a) of this section, the Secretary shall also make findings and recommendations regarding the status of the Vermont Communications Board, Department of Public Safety, and the Vermont Public Safety Broadband Network Commission (Vermont FirstNet). If not prohibited by federal law, the Secretary shall propose draft legislation creating an advisory board within the Division for Connectivity or the Department of Public Safety comprising 15 members appointed by the Governor to assume functions of the current Enhanced 911 Board, the Vermont Communications Board, and Vermont FirstNet, as the Secretary deems appropriate.

Sec. 25. ADMINISTRATION REPORT; VERMONT TELECOMMUNICATIONS AUTHORITY; DIVISION FOR CONNECTIVITY

On or before December 15, 2014, the Secretary of Administration, in consultation with the Commissioner of Public Service and the Secretary of Commerce and Community Development, shall submit a report to the General Assembly assessing all aspects of the Division for Connectivity established under this act, including its duties, functions, objectives, and agency location within the Executive Branch. The Secretary shall recommend any amendments he or she deems appropriate, including repeal of the Division for Connectivity if he or she determines the Vermont Telecommunications Authority (VTA) or another entity is more appropriate for implementing the State's telecommunications policies and deployment programs. If the Secretary recommends establishment of the Division for Connectivity or an entity other than the VTA, he or she shall make a proposal regarding establishment of a new telecommunications advisory board, which could be modeled after the VTA Board of Directors and may include a proposal for transferring the existing VTA Board members to such board.

Sec. 26. ADMINISTRATION PRESENTATION TO GENERAL ASSEMBLY

In January of 2015, the Secretary shall present the reports required in Secs. 24 and 25 of this act to the Senate Committees on Finance and on Government Operations and to the House Committees on Commerce and Economic Development and on Government Operations.

* * * DPS Deployment Report * * *

Sec. 27. DEPARTMENT OF PUBLIC SERVICE; DEPLOYMENT REPORT

On July 15, 2015, the Commissioner of Public Service shall submit to the General Assembly and the Division for Connectivity a report, including maps, indicating the service type and average speed of service of mobile

telecommunications and broadband services available within the State by census block as of December 31, 2014.

* * * VTA; Dormant Status * * *

Sec. 28. 30 V.S.A. § 8060a is added to read:

§ 8060a. PERIOD OF DORMANCY

On July 1, 2015, the Division for Connectivity established under 3 V.S.A. § 2225 shall become the successor in interest to and the continuation of the Vermont Telecommunications Authority, and the Authority shall cease all operations and shall not resume its duties as specified under this chapter or under any other Vermont law unless directed to do so by enactment of the General Assembly or, if the General Assembly is not in session, by order of the Joint Fiscal Committee. Notwithstanding 32 V.S.A. § 5, the Joint Fiscal Committee shall issue such order only upon finding that, due to an unforeseen change in circumstances, implementation of the Authority's capacity to issue revenue bonds or to accept any new gifts, grants, or contributions would be the most effective means of furthering the State's telecommunications goals and policies. Upon the effective date of such enactment or order, the duties of the Executive Director and the Board of Directors of the Authority shall resume in accordance with 30 V.S.A. chapter 91 and the Director for Connectivity shall be the acting Executive Director of the Authority, until the position is filled pursuant to 30 V.S.A. § 8061(e).

* * * Retransmission Fees * * *

Sec. 29. 30 V.S.A. § 518 is added to read:

§ 518. RETRANSMISSION FEES; REPORTING

(a) Purpose. The purpose of this section is to provide the Attorney General with information necessary to investigate certain conduct within the cable and broadcast network industries to determine whether unfair methods of competition or unfair or deceptive acts or practices are occurring in violation of 9 V.S.A. chapter 63.

(b) Reporting. Annually, beginning January 1, 2015, each commercial broadcasting station doing business with a Vermont cable company shall report to the Attorney General any fees charged for program content retransmitted on the cable network under a retransmission consent agreement entered into pursuant to 47 U.S.C. § 325, for the prior calendar year.

(c) Investigations. The Attorney General may investigate retransmission fees charged by commercial broadcasting stations, pursuant to his or her investigatory powers established under 9 V.S.A. chapter 63.

(d) Public disclosure. The information received under this section by the Attorney General shall be disclosed to the public at a time and in a manner determined by the Attorney General to be consistent with and permitted by the Public Records Act and relevant provisions of federal law.

(e) Enforcement. A violation of this section constitutes an unfair and deceptive act and practice in commerce under 9 V.S.A. § 2453.

(f) The Attorney General may adopt rules he or she deems necessary to implement this section. The rules, as well as any finding of unfair or deceptive practices with regard to retransmission consent fees, shall not be inconsistent with the rules, regulations, and decisions of the Federal Communications Commission and the federal courts interpreting the Communications Act of 1934, as amended.

* * * Statutory Revision Authority * * *

Sec. 30. LEGISLATIVE COUNCIL STATUTORY REVISION AUTHORITY; LEGISLATIVE INTENT

(a) The staff of the Office of the Legislative Council in its statutory revision capacity is authorized and directed to amend the Vermont Statutes Annotated as follows:

(1) deleting all references to “by the end of the year 2013” in 30 V.S.A. chapter 91; and

(2) during the interim of the 2015 biennium of the General Assembly, in 30 V.S.A. § 227e, replacing every instance of the words “Secretary of Administration” and “Secretary” with the words “Director for Connectivity” and “Director,” respectively.

(b) Any duties and responsibilities that arise by reference to the Division for Connectivity in the Vermont Statutes Annotated shall not be operative until the Division is established pursuant to 3 V.S.A. § 2225.

* * * Effective Dates * * *

Sec. 31. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 12, 13, and 14 (regarding the Division for Connectivity) shall take effect on July 1, 2015.

And that after passage the title of the bill be amended to read: “An act relating to Vermont telecommunications policy”

*CHRISTOPHER A. BRAY
TIMOTHY R. ASHE*

Committee on the part of the Senate

SAMUEL R. YOUNG
MICHAEL J. MARCOTTE

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate**

H. 735.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to Executive Branch and Judiciary fees.

Was taken up for immediate consideration.

Senator MacDonald, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 735. An act relating to Executive Branch and Judiciary fees.

Respectfully reports that it has met and considered the same and recommends that the Senate proposal of amendment be further amended as follows:

First: In Sec. 6, in 22 V.S.A. § 724, by inserting subsection (a) to read:

(a) ~~Historic sites operations special fund~~ Sites Operations Special Fund. The ~~historic sites operations special fund~~ Historic Sites Operations Special Fund is established pursuant to 32 V.S.A. chapter 7, subchapter 5 of chapter 7 of Title 32 to be used by the ~~division for historic preservation~~ Division for Historic Preservation to carry out the provisions of subdivisions 723(a)(9) and (b)(1) of this title. Revenues to the ~~fund~~ Fund shall be from the following sources:

(1) Receipts from ticket sales at and fees for rental of ~~state-owned~~ State-owned historic sites. Notwithstanding ~~subdivision~~ 32 V.S.A. § 603(2) of Title 32, fees for admission to and rentals of historic sites shall be set by the ~~state historic preservation officer~~ State Historic Preservation Officer, with the approval of the ~~commissioner of housing and community affairs~~ Commissioner of Housing and Community Development, in a manner that both maximizes

revenues and promotes the tourism purposes of historic sites, but not to exceed ~~\$8.00~~ \$12.00 for a single admission. This not-to-exceed amount shall not apply to the rental of an historic site or admission to an historic site for a special event. These fees shall be reported in accordance with ~~section 605 of Title 32~~ 32 V.S.A. § 605.

Second: In Sec. 14, in 26 V.S.A. § 1256, by striking out subsection (d) in its entirety and inserting in lieu thereof the following:

(d) Applicants and persons regulated under this chapter shall pay the following fees:

(1) Application for license	\$ 70.00
(2) Biennial renewal of license	
(A) Funeral director	\$ 300.00 <u>\$ 350.00</u>
(B) Embalmer	\$ 300.00 <u>\$ 350.00</u>
(C) Funeral establishment	\$ 540.00 <u>\$ 800.00</u>
(D) Crematory establishment	\$ 540.00 <u>\$ 800.00</u>
(E) <u>Crematory personnel</u>	<u>\$ 125.00</u>
(F) Removal personnel	\$ 85.00 <u>\$ 125.00</u>
(G) <u>Limited services establishment license</u>	<u>\$ 800.00</u>

Third: In Sec. 20, in 20 V.S.A. § 2307, in subsection (b), subdivision (2)(B)(ii), after the words “until further order of the Court” by inserting: , and specifies the manner in which he or she will provide secure storage of such items.

Fourth: In Sec. 20, in 20 V.S.A. § 2307, in subsection (b), subdivision (2)(B)(iv), by striking out the words “this subdivision (2)(A)” and inserting in lieu thereof the words subdivision (2)(C).

Fifth: In Sec. 20, in 20 V.S.A. § 2307, in subsection (b), at the end of subdivision (2)(C), by adding a sentence to read: In the event that the person required to relinquish the firearms, ammunition, or other weapons or any other person not authorized by law to possess the relinquished items obtains access to, possession of, or use of a relinquished item, all relinquished items shall be immediately transferred to the possession of a law enforcement agency or approved federally licensed firearms dealer pursuant to subdivision (1) of this subsection (b).

Sixth: In Sec. 20, in 20 V.S.A. § 2307, in subsection (g), subdivision (2)(A)(iii), by striking out the words “pursuant to Rule 4 of the Vermont Rules of Civil Procedure” and inserting in lieu thereof via first class mail, certified restricted delivery

Seventh: By striking out Sec. 28 in its entirety and inserting in lieu thereof a new Sec. 28 to read:

Sec. 28. 18 V.S.A. § 4474f is amended to read:

§ 4474f. DISPENSARY APPLICATION, APPROVAL, AND REGISTRATION

* * *

(g) After a dispensary is approved but before it begins operations, it shall submit the following to the ~~department of public safety~~ Department:

* * *

(4) A registration fee of \$20,000.00 for the first year of operation, and an annual fee of ~~\$30,000.00~~ \$25,000.00 in subsequent years.

* * *

Eighth: In Sec. 29, 30 V.S.A. § 7521, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d)(1) Notwithstanding any other provision of law to the contrary, beginning on September 1, 2014, in the case of prepaid wireless telecommunications service, the universal service charge shall be imposed as follows:

(A) If the provider sells directly to a consumer in a retail transaction, the provider may collect the charge from the customer at the rate specified in section 7523 of this title; or

(B) if the provider does not sell directly to the consumer, or if the provider sells directly to the customer in a retail transaction but elects not to collect the charge from the customer, the charge shall be imposed on the provider at the rate determined in subdivision (2) of this subsection (d).

(2) The Public Service Board shall establish a formula to ensure the universal service charge rate imposed on prepaid wireless telecommunications service providers under subdivision (1)(B) of this subsection reflects two percent of retail prepaid wireless telecommunications service in Vermont.

(3) As used in this subsection, "prepaid wireless telecommunications service" means a telecommunications service as defined in subdivision 203(5) of this title that a consumer pays for in advance and that is sold in predetermined units or dollars that decline with use.

Ninth: In Sec. 30, in 30 V.S.A. § 7524, by inserting a new subsection to be subsection (f) to read:

(f) The Public Service Board shall ensure the fiscal agent is authorized to negotiate and collect from telecommunications service providers any universal service charges not properly assessed or remitted pursuant to this chapter. For the purpose of this subsection, the fiscal agent may examine the records of telecommunications providers for the immediately preceding three years and assess the provider for underpayments, if any, as appropriate.

Tenth: In Sec. 31, 6 V.S.A. § 3022, in subsection (a), by striking out in its entirety the sentence “~~The secretary~~ Secretary may, ~~with the approval of the governor,~~ appoint or contract with one or more inspectors who shall also be authorized to inspect all apiaries and otherwise enforce the provisions of this chapter.”

Eleventh: By striking out Sec. 32 (effective dates) in its entirety and inserting in lieu thereof the following Secs. 32–36 to read:

Sec. 32. 9 V.S.A. § 2632 is amended to read:

§ 2632. GENERAL POWERS AND DUTIES OF SECRETARY

* * *

(b) Fees and reimbursements of costs collected by the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets under the provisions of this chapter and 6 V.S.A. § 3022 shall be credited to a weights and measures special fund and shall be available to the ~~agency~~ Agency to offset the costs of implementing this chapter.

Sec. 33. 30 V.S.A. § 7503(a) is amended to read:

(a) A fiscal agent shall be selected to receive and distribute funds under this chapter ~~for the Vermont telecommunications relay service, for the Vermont lifeline program, for enhanced 911 services, and, subject to further legislative authorization, to reduce the cost to customers of basic telecommunications service in high cost areas.~~

Sec. 34. 30 V.S.A. § 7511 is amended to read:

§ 7511. DISTRIBUTION GENERALLY

(a) As directed by the ~~public service board~~ Public Service Board, funds collected by the fiscal agent, and interest accruing thereon, shall be distributed as follows:

(1) ~~To~~ to pay costs payable to the fiscal agent under its contract with the ~~public service board.~~ Board;

(2) ~~To~~ to support the Vermont telecommunications relay service in the manner provided by section 7512 of this title-;

(3) ~~To~~ to support the Vermont ~~lifeline~~ Lifeline program in the manner provided by section 7513 of this title;

(4) ~~To~~ to support ~~enhanced-911~~ Enhanced-911 services in the manner provided by section 7514 of this title;

(5) ~~To~~ to reduce the cost to customers of basic telecommunications service in high-cost areas, in the manner provided by section 7515 of this title; and

(6) to support the cost of Executive Branch activities as specified under section 7515a of this title.

(b) If insufficient funds exist to support all of the purposes contained in subsection (a) of this section, the ~~public service board~~ Board shall conduct an expedited proceeding to allocate the available funds, giving priority in the order listed in subsection (a).

Sec. 35. 30 V.S.A. § 7515a is added to read:

§ 7515a. ADDITIONAL PROGRAM SUPPORT

The fiscal agent may make distributions to the State Treasurer to fund Executive Branch activities related to and supportive of the programs funded under this chapter, as determined by the General Assembly.

Sec. 36. EFFECTIVE DATES

(a) This section and Sec. 28 (dispensaries) shall take effect on passage.

(b) Secs. 31 and 32 (apiaries) shall take effect on July 1, 2015.

(c) All remaining sections shall take effect on July 1, 2014.

*MARK A. MACDONALD
CHRISTOPHER A. BRAY
ELDRED FRENCH*

Committee on the part of the Senate

*JAMES W. MASLAND
ALISON H. CLARKSON
KESHA K. RAM*

Committee on the part of the House

Thereupon, pending the question, Shall the Senate accept and adopt the report of the Committee of Conference?, Senator Benning moved that the Senate reject the Committee of Conference report and appoint a new Committee of Conference, which was disagreed to on a roll call, Yeas 1, Nays 25.

Senator Campbell having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Benning.

Those Senators who voted in the negative were: Ayer, Baruth, Bray, Campbell, Collins, Cummings, Doyle, Flory, French, Galbraith, Hartwell, Lyons, MacDonald, Mazza, McAllister, McCormack, Nitka, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators absent and not voting were: Ashe, Kitchel, Mullin, Snelling.

Thereupon, the question Shall the Committee of Conference be adopted?, was decided in the affirmative.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 241.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to binding arbitration for State employees.

Was taken up for immediate consideration.

Senator Baruth, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 241. An act relating to binding arbitration for State employees.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the first Proposal of Amendment by the House and that the House recede from the second Proposal of Amendment and that the bill be amended in Sec. 1, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Powers and duties. The Committee shall:

(1) study the issue of grievance arbitration for State employees; and

(2) assess the relative merits of various grievance protocols, including arbitration and use of the Vermont Labor Relations Board, addressing the ability of these protocols to provide resolution of grievances in a manner that is economical, timely, just, and provides for appropriate privacy protections for the parties.

*PHILIP E. BARUTH
ANN E. CUMMINGS
WILLIAM T. DOYLE*

Committee on the part of the Senate

*JOHN T. MORAN
CYNTHIA A. WEED
JEAN D. O'SULLIVAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred In

S. 239.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to the regulation of toxic substances.

Was taken up for immediate consideration on a roll call, Yeas 23, Nays 7.

Senator Ayer having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Campbell, Collins, Cummings, Doyle, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, McCormack, Mullin, Nitka, Pollina, Sears, Sirotkin, Snelling, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Flory, Mazza, McAllister, Rodgers, Starr, Westman.

The House concurs in the Senate proposal of amendment to the House proposal of amendment with further amendment thereto as follows:

First: In Sec. 2, in 18 V.S.A. § 1772, in subdivision (7)(A), after “children in the State of Vermont,” and before “including” by striking out or any consumer product whose substantial use or handling by children under 12 years of age is reasonably foreseeable,

Second: In Sec. 2, in 18 V.S.A. § 1772, by inserting a new subdivision to be subdivision (11) to read:

(11) “Intentionally added” means the addition of a chemical in a product that serves an intended function in the product component.

and by renumbering the remaining subdivisions to be numerically correct.

Third: In Sec. 2, in 18 V.S.A. § 1774, by striking out subsection (g) (right of appeal) in its entirety.

Fourth: In Sec. 2, in 18 V.S.A. § 1775, in subdivision (a)(1), by striking out “present in” where it appears and inserting in lieu thereof intentionally added to

and by adding a new subsection to be subsection (g) to read as follows:

(g) Certificate of compliance. A manufacturer required to submit notice under this section to the Commissioner may rely on a certificate of compliance from suppliers for determining reporting obligations. A certificate of compliance provided by a supplier under this subsection shall be solely for the purpose of compliance with the requirements of this chapter.

and by relettering the remaining subsections to be alphabetically correct.

Fifth: In Sec. 2, in 18 V.S.A. § 1776, in subdivision (d)(1), in the first sentence, by striking out the sentence to the colon and inserting in lieu thereof the following:

The Commissioner, upon the recommendation of the Chemicals of High Concern to Children Working Group, may adopt a rule to regulate the sale or distribution of a children’s product containing a chemical of high concern to children upon a determination that

Sixth: In Sec. 2, in 18 V.S.A. § 1776, in subdivision (d)(2), after “credible information regarding” and before the colon, by striking out one or more of the following

and in subdivision (f)(1), in the first sentence, by striking out “subsection (b) or (c)” where it appears and inserting in lieu thereof subsection (b), (c), or (d).

Seventh: In Sec. 2, in 18 V.S.A. § 1778, by striking out the last sentence in its entirety.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment?, was decided in the affirmative on a roll call, Yeas 26, Nays 3.

Senator Ayer having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Benning, Bray, Campbell, Collins, Cummings, Doyle, French, Galbraith, Hartwell, Kitchel, Lyons, MacDonald, Mazza, McAllister, McCormack, Mullin, Pollina, Rodgers, Sirotkin, Snelling, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Flory, Nitka, Starr.

The Senator absent and not voting was: Sears.

Rules Suspended; Bills and Joint Resolutions Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills and joint resolutions were severally ordered messaged to the House forthwith:

S. 269, H. 297, H. 735, J.R.H. 19, J.R.H. 21.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 295.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to pretrial services, risk assessments, and criminal justice programs.

Was taken up for immediate consideration.

Senator Sears, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE FINDINGS

(a) This act was initiated by legislators serving on the Joint Legislative Corrections Oversight Committee, and notably Senator Sally Fox. Senator Fox was instrumental in the General Assembly's recent work on the issues of mental health, substance abuse, and criminal justice reform. She was an early advocate of risk assessments and needs screenings for the purpose of tailoring criminal justice responses to the individual in a manner that would protect public safety while addressing the needs of the offender in the hope of breaking the cycle of recidivism. The General Assembly is eternally grateful for her contributions.

(b) It is the intent of the General Assembly that law enforcement officials and criminal justice professionals develop and maintain programs at every stage of the criminal justice system to provide alternatives to a traditional criminal justice response for people who, consistent with public safety, can effectively and justly benefit from those alternative responses. These programs shall be reflective of the goals and principles of restorative justice pursuant to 28 V.S.A. § 2a. Commonly referred to as the sequential intercept model, this approach was designed to identify five points within the criminal justice system where innovative approaches to offenders and offending behavior could be taken to divert individuals away from a traditional criminal justice response to crime. These intercept points begin in the community with law enforcement interaction with citizens, proceed through arrest, the judicial process, and sentencing, and conclude with release back into communities. Alternative justice programs may include the employment of police-social workers, community-based restorative justice programs, community-based dispute resolution, precharge programs, pretrial services and case management, recovery support, DUI and other drug treatment courts, suspended fine programs, and offender reentry programs.

(c) Research shows the risk-need-responsivity model approach to addressing criminal conduct is successful at reducing recidivism. The model's premise is that the risk and needs of a person charged with or convicted of a criminal offense should determine the strategies appropriate for addressing the person's criminogenic factors.

(d) Some studies show that incarceration of low-risk offenders or placement of those offenders in programs or supervision designed for high-risk offenders may increase the likelihood of recidivism.

(e) The General Assembly recommends use of evidence-based risk assessments and needs screening tools for eligible offenses to provide information to the Court for the purpose of determining bail and appropriate conditions of release and to inform decisions by the State's Attorney and the Court related to a person's participation and level of supervision in an alternative justice program.

(f) As used in this act:

(1) "Risk assessment" means a pretrial assessment that is designed to be predictive of a person's failure to appear in court and risk of violating pretrial conditions of release with a new alleged offense.

(2) "Needs screening" means a preliminary systematic procedure to evaluate the likelihood that an individual has a substance abuse or a mental health condition.

(3) "Clinical assessment" means the procedures, to be conducted after a client has been screened, by which a licensed or otherwise approved counselor identifies and evaluates an individual's strengths, weaknesses, problems, and needs for the development of a treatment plan.

(g) The General Assembly intends this act to be a continuation of justice reinvestment efforts initiated in 2007 by the Legislative, Judicial, and Executive Branches. Justice reinvestment is a data-driven approach to improve public safety, reduce corrections and related criminal justice spending, and reinvest savings in strategies that can decrease crime and strengthen communities.

(h) Buprenorphine/Naloxone (Suboxone or Subutex) is a well-known medication used in the treatment of opioid addiction. Vermont spends \$8.3 million in Medicaid funds annually on these drugs. As medicated-assisted treatment for opiate addiction has increased substantially in the last several years, so has illegal diversion of these drugs and their misuse. Suboxone is currently the number one drug smuggled into Vermont correctional facilities and evidence suggests that the nonmedical use of such drugs is gaining in popularity. The General Assembly urges the administration to prioritize efforts to ensure that people with opiate addictions are provided access to necessary medication, while taking all possible measures to prevent the diversion and misuse of these drugs, including working with drug manufacturers.

(i) Approximately 54,000 Vermonters have abused or been dependent on alcohol or illicit drugs in the past year, according to the current National Survey on Drug Use and Health. More people abuse or are dependent on alcohol (approximately 39,000) than all illicit drugs combined (18,000). Many Vermonters struggle with both alcohol and illicit drugs. Substance abuse is

expensive, and not solely due to the cost of providing treatment. Research indicates that \$1.00 invested in addiction treatment saves between \$4.00 and \$7.00 in reduced drug-related crime, criminal justice costs, and theft. Earlier intervention to provide services before major problems develop can save even more.

Sec. 2. 13 V.S.A. § 7554c is added to read:

§ 7554c. PRETRIAL RISK ASSESSMENTS; NEEDS SCREENINGS

(a)(1) The objective of a pretrial risk assessment is to provide information to the Court for the purpose of determining whether a person presents a risk of nonappearance or a threat to public safety so the Court can make an appropriate order concerning bail and conditions of pretrial release.

(2) The objective of a pretrial needs screening is to obtain a preliminary indication of whether a person has a substantial substance abuse or mental health issue that would warrant a subsequent court order for a more detailed clinical assessment.

(3) Participation in a risk assessment or needs screening pursuant to this section does not create any entitlement for the assessed or screened person.

(b)(1) A person whose offense or status falls into any of the following categories shall be offered a risk assessment and, if deemed appropriate by the pretrial monitor, a needs screening prior to arraignment:

(A) felonies, excluding listed crimes, cited into court;

(B) persons cited or arrested for an offense that is not a listed crime who are identified by law enforcement, the prosecution, the defense, probation and parole personnel, the Court, a treatment provider, or a family member or friend as having a substantial substance abuse or mental health issue;

(C) misdemeanor and felony drug offenses, excluding trafficking, cited into court; and

(D) persons who are arrested and lodged and unable to post bail within 24 hours of lodging, excluding persons who are charged with an offense for which registration as a sex offender is required upon conviction pursuant to subchapter 3 of chapter 167 of this title or an offense punishable by up to life imprisonment.

(2) As used in this section, "listed crime" shall have the same meaning as provided in section 5301 of this title.

(3) Unless ordered as a condition of release under section 7554 of this title, participation in an assessment or screening shall be voluntary.

(4) In the event an assessment or screening cannot be obtained prior to arraignment, the Court shall direct the assessment and screening to be conducted as soon as practicable.

(5) A person who qualifies pursuant to subdivision (1)(A)–(D) of this subsection and who has an additional pending charge or a violation of probation shall not be excluded from being offered a risk assessment or needs screening unless the other charge is a listed crime.

(6)(A) The Administrative Judge and Court Administrator, in consultation with the Secretary of Human Services and the Commissioner of Corrections, shall develop a statewide plan for the phased, consistent rollout of the categories identified in subdivisions (1)(A) through (D) of this subsection, in the order in which they appear in this subsection. The Administrative Judge and Court Administrator shall present the plan to the Joint Legislative Corrections Oversight Committee on or before October 15, 2014.

(B) All persons whose offense or status falls into one of the categories shall be eligible for a risk assessment or needs screening on or before October 15, 2015. Prior to that date, a person shall not be guaranteed the offer of a risk assessment or needs screening solely because the person's offense or status falls into one of the categories. Criminal justice professionals charged with implementation shall adhere to the plan.

(c) The results of the assessment and screening shall be provided to the prosecutor who, upon filing a criminal charge against the person, shall provide the results to the person and his or her attorney and the Court.

(d)(1) In consideration of the assessment and screening, the Court may order the person to comply with any of the following conditions:

(A) meet with a pretrial monitor on a schedule set by the Court;

(B) participate in a clinical assessment by a substance abuse or mental health treatment provider;

(C) comply with any level of treatment or recovery support recommended by the provider;

(D) provide confirmation to the pretrial monitor of the person's attendance and participation in the clinical assessment and any recommended treatment; and

(E) provide confirmation to the pretrial monitor of the person's compliance with any other condition of release.

(2) If possible, the Court shall set the date and time for the assessment at arraignment. In the alternative, the pretrial monitor shall coordinate the date,

time, and location of the clinical assessment and advise the Court, the person and his or her attorney, and the prosecutor.

(3) The conditions authorized in subdivision (1) of this subsection shall be in addition to any other conditions of release permitted by law and shall not limit the Court in any way.

(e)(1) Information obtained from the person during the risk assessment or needs screening shall be exempt from public inspection and copying under the Public Records Act and, except as provided in subdivision (2) of this subsection, only may be used for determining bail, conditions of release, and appropriate programming for the person in the pending case. The immunity provisions of this subsection apply only to the use and derivative use of information gained as a proximate result of the risk assessment or needs screening.

(2) The person shall retain all of his or her due process rights throughout the assessment and screening process and may release his or her records at his or her discretion.

(3) The Vermont Supreme Court in accordance with judicial rulemaking as provided in 12 V.S.A. § 1 shall promulgate and the Department of Corrections in accordance with the Vermont Administrative Procedure Act pursuant to 3 V.S.A. chapter 25 shall adopt rules related to the custody, control, and preservation of information consistent with the confidentiality requirements of this section. Emergency rules adopted prior to January 1, 2015 pursuant to this section shall be considered to meet the “imminent peril” standard under 3 V.S.A. § 844(a).

Sec. 3. RISK ASSESSMENT AND NEEDS SCREENING TOOLS AND SERVICES

(a) The Department of Corrections shall select risk and needs assessment and screening tools for use in the various decision points in the criminal justice system, including pretrial, community supervision screening, community supervision, prison screening, prison intake, and reentry. The Department shall validate the selected tools for the population in Vermont.

(b) In selection and implementation of the tools, the Department shall consider tools being used in other states and shall consult with and have the cooperation of all criminal justice agencies.

(c) The Department shall have the tools available for use on or before September 1, 2014. The Department, the Judiciary, the Defender General, and the Executive Director and the Department of State’s Attorneys and Sheriffs shall conduct training on the risk assessment tools on or before December 15, 2014.

(d) The Department, in consultation with law enforcement agencies and the courts, shall contract for or otherwise provide pretrial services described in this section, including performance of risk assessments, needs screenings, and pretrial monitoring. The contract shall include requirements to comply with data collection and evaluation procedures.

(e) Pretrial monitoring may include:

(1) reporting to the Court concerning the person's compliance with conditions of release;

(2) supporting the person in meeting the conditions imposed by the Court, including the condition to appear in Court as directed;

(3) identifying community-based treatment, rehabilitative services, recovery supports, and restorative justice programs; and

(4) supporting a prosecutor's precharge program.

(f)(1) The Department, in consultation with the Judiciary and the Crime Research Group, shall develop and implement a system to evaluate goals and performance of the pretrial services described in this section and report to the General Assembly annually on or before December 15.

(2) The Agency of Human Services, in consultation with the Judiciary, shall ensure that a study is conducted to include an outcome study, process evaluation and cost benefit analysis.

(g) The Secretary of Human Services, with staff and administrative support from the Criminal Justice Capable Core Team, shall map services and assess the impact of court referrals and the capacity of the current service provision system in each region. The Secretary, in collaboration with service providers and other stakeholders, shall consider regional resources, including services for assessment, early intervention, treatment, and recovery support. Building on existing models and data, the Secretary and the Criminal Justice Capable Core Team shall develop recommendations for a system for referral based on the appropriate level of need, identifying existing gaps to optimize successful outcomes. Funding models for those services shall be examined by the appropriate State departments. The recommendation for the system for referral shall reflect all initiatives within the Agency of Human Services, including those within the Blueprint for Health and Screening, Brief Intervention, and Referral for Treatment (SBIRT), as well as initiatives within the Green Mountain Care Board and the State Innovation Model (SIM) grant.

* * * Alternative Justice Programs * * *

Sec. 4. PROSECUTOR PRECHARGE PROGRAM GUIDELINES AND REPORTING

(a) The Department of State's Attorneys and Sheriffs, in consultation with the Judiciary and the Attorney General, shall develop broad guidelines for precharge programs to ensure there is probable cause and that there are appropriate opportunities for victim input and restitution.

(b) On or before October 1, 2014, and annually thereafter, the Executive Director of the Department of State's Attorneys and Sheriffs shall report to the General Assembly detailing the alternative justice programs that exist in each county together with the protocols for each program, the annual number of persons served by the program, and a plan for how a sequential intercept model can be employed in the county. The report shall be prepared in cooperation with the Director of Court Diversion, a co-chair of the Community Justice Network of Vermont, and State, municipal, and county law enforcement officials.

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

* * * Criminal Provisions * * *

Sec. 8. 18 V.S.A. § 4233(d) is added to read:

(d) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting one gram or more of heroin into Vermont with the intent to sell or dispense the heroin shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

Sec. 9. 13 V.S.A. § 1201 is amended to read:

§ 1201. BURGLARY

(a) A person is guilty of burglary if he or she enters any building or structure knowing that he or she is not licensed or privileged to do so, with the intent to commit a felony, petit larceny, simple assault, or unlawful mischief. This provision shall not apply to a licensed or privileged entry, or to an entry that takes place while the premises are open to the public, unless the person, with the intent to commit a crime specified in this subsection, surreptitiously remains in the building or structure after the license or privilege expires or after the premises no longer are open to the public.

(b) As used in this section, ~~the words “building,” “structure,” and “premises”;~~

(1) “Building,” “premises,” and “structure” shall, in addition to their common meanings, include and mean any portion of a building, structure, or premises which differs from one or more other portions of such building, structure, or premises with respect to license or privilege to enter, or to being open to the public.

(2) “Occupied dwelling” means a building used as a residence, either full-time or part-time, regardless of whether someone is actually present in the building at the time of entry.

(c)(1) ~~A person convicted of burglary into an occupied dwelling shall be imprisoned not more than 25 years or fined not more than \$1,000.00, or both. Otherwise a person convicted of burglary shall be imprisoned not more than 15 years or fined not more than \$1,000.00, or both.~~

(2) A person convicted of burglary and who carries a dangerous or deadly weapon, openly or concealed, shall be imprisoned not more than 20 years or fined not more than \$10,000.00, or both.

(3) A person convicted of burglary into an occupied dwelling:

(A) shall be imprisoned not more than 25 years or fined not more than \$1,000.00, or both; or

(B) shall be imprisoned not more than 30 years or fined not more than \$10,000.00, or both, if the person carried a dangerous or deadly weapon, openly or concealed, during commission of the offense.

(4) When imposing a sentence under this section, the Court shall consider as an aggravating factor whether, during commission of the offense, the person entered the building when someone was actually present or used or threatened to use force against the occupant.

Sec. 10. DEPARTMENT OF PUBLIC SAFETY REPORT

The Department of Public Safety, in consultation with the Department of Health, shall examine 18 V.S.A. § 4234 (depressant, stimulant, narcotic drug) for the purpose of establishing clear dosage amounts for narcotics as they relate to unlawful possession, dispensing, and sale. The Department shall consider section 4234 in relation to 18 V.S.A. § 4233 (heroin). The Department shall report its recommendations to the Senate and House Committees on Judiciary on or before December 15, 2014.

* * * Regulation of Opiates * * *

Sec. 11. DVHA AUTHORITY; USE OF AVAILABLE SANCTIONS

The Department of Vermont Health Access shall use its authority to sanction Medicaid-participating prescribers, whether practicing in or outside the State of Vermont, operating in bad faith or not in compliance with State or federal requirements.

Sec. 12. CONTINUED MEDICATION-ASSISTED TREATMENT FOR INCARCERATED PERSONS

(a) The Department of Corrections, in consultation with the Medication-Assisted Treatment for Inmates Work Group created by 2013 Acts and Resolves No. 67, Sec. 11, shall develop and implement a one-year demonstration project to pilot the continued use of medication-assisted treatment within Department facilities for detainees and sentenced inmates.

(b) The pilot project shall offer continued medication-assisted treatment for opioid dependence with methadone or buprenorphine and a prescribed taper as appropriate to incarcerated persons who were participating in medication-assisted treatment in the community immediately prior to incarceration.

(c) As used in this section, "prescribed taper" means a clinically appropriate medication taper that is designed to minimize withdrawal symptoms and limit avoidable suffering.

(d) The Commissioner of Corrections shall publish an interim revision memorandum to replace Directive 363.01 as recommended by the Medication-Assisted Treatment for Inmates Work Group.

(e) On or before July 30, 2014, the Department shall enter into memoranda of understanding with the Department of Health and with hub treatment providers regarding ongoing medication-assisted treatment for persons in the custody of the Department. The memoranda shall ensure that incarcerated persons who were not receiving medication-assisted treatment prior to incarceration do not receive priority for treatment over persons not in the custody of the Department of Corrections who are on a waiting list for medication-assisted treatment.

(f) The Department shall collaborate with the Department of Health to facilitate the provision of opioid overdose prevention training for pilot project participants who are incarcerated and the distribution of overdose rescue kits with naloxone at correctional facilities to persons who are transitioning from incarceration back into the community.

(g) The Departments of Corrections and of Health shall continue the Medication-Assisted Treatment for Inmates Work Group created by 2013 Acts and Resolves No. 67, Sec. 11 to inform and monitor implementation of the demonstration project. The Departments shall evaluate the demonstration project and provision of medication-assisted treatment to persons who are incarcerated in Vermont and report their findings, including a proposed schedule of expansion, to the Joint Legislative Corrections Oversight Committee during the 2014 interim and to the House Committees on Corrections and Institutions, on Human Services, and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary on or before January 1, 2015.

Sec. 13. VPMS QUERY; RULEMAKING

The Secretary of Human Services shall adopt rules requiring:

(1) All Medicaid participating providers, whether licensed in or outside Vermont, who prescribe buprenorphine or a drug containing buprenorphine to a Vermont Medicaid beneficiary to query the Vermont Prescription Monitoring System the first time they prescribe buprenorphine or a drug containing buprenorphine for the patient and at regular intervals thereafter. Regular intervals shall exceed the requirements for other Schedule III pharmaceuticals, and queries shall be done prior to prescribing a replacement prescription. The rules shall also include dosage thresholds, which may be exceeded only with prior approval from the Chief Medical Officer of the Department of Vermont Health Access or designee.

(2) All providers licensed in Vermont who prescribe buprenorphine or a drug containing buprenorphine to a Vermont patient who is not a Medicaid beneficiary to query the Vermont Prescription Monitoring System the first time they prescribe buprenorphine or a drug containing buprenorphine for the patient and at regular intervals thereafter. Regular intervals shall exceed the requirements for other Schedule III pharmaceuticals, and queries shall be done prior to prescribing a replacement prescription. The rules shall also include dosage thresholds.

Sec. 14. MEDICATION-ASSISTED THERAPY; RULEMAKING

The Commissioner of Health shall adopt rules relating to medication-assisted therapy for opioid dependence for physicians treating fewer than 30 patients, which shall include a requirement that such physicians ensure that their patients are screened or assessed to determine their need for counseling and that patients who are determined to need counseling or other support services are referred for appropriate counseling from a licensed clinical professional or for other services as needed.

Sec. 15. 26 V.S.A. chapter 36, subchapter 8 is added to read:

Subchapter 8. Naloxone Hydrochloride

§ 2080. NALOXONE HYDROCHLORIDE; DISPENSING OR FURNISHING

(a) The Board of Pharmacy shall adopt protocols for licensed pharmacists to dispense or otherwise furnish naloxone hydrochloride to patients who do not hold an individual prescription for naloxone hydrochloride. Such protocols shall be consistent with rules adopted by the Commissioner of Health.

(b) Notwithstanding any provision of law to the contrary, a licensed pharmacist may dispense naloxone hydrochloride to any person as long as the pharmacist complies with the protocols adopted pursuant to subsection (a) of this section.

Sec. 16. [Deleted.]

Sec. 16a. DEPARTMENT OF CORRECTIONS AND HEALTH CARE REFORM

(a) The Agency of Human Services and its departments shall assist the Department of Corrections in fully enacting the provisions of the Affordable Care Act and Vermont's health care reform initiatives as they pertain to persons in the criminal justice population, including access to health information technology, the Blueprint for Health, Medicaid enrollment, the health benefit exchange, health plans, and other components under the Department of Vermont Health Access that support and ensure a seamless process for reentry to the community or readmission to a correctional facility.

(b) The Department of Corrections shall include substance abuse and mental health services in its request for proposal (RFP) process for inmate health services. Through the RFP, the Department shall require that substance abuse and mental health services be provided to persons while incarcerated; however, this requirement does not create any entitlement for an incarcerated person. The Department shall report to the Joint Legislative Corrections Oversight Committee during the 2014 interim regarding progress toward selecting inmate health services.

Sec. 17. 18 V.S.A. § 4254 is amended to read:

§ 4254. IMMUNITY FROM LIABILITY

* * *

(d) A person who seeks medical assistance for a drug overdose or is the subject of a good faith request for medical assistance pursuant to subsection (b) or (c) of this section shall not be subject to any of the penalties for violation of

13 V.S.A. § 1030 (violation of a protection order), for a violation of this chapter or 7 V.S.A §§ 656 and 657, for being at the scene of the drug overdose, or for being within close proximity to any person at the scene of the drug overdose.

(e) A person who seeks medical assistance for a drug overdose or is the subject of a good faith request for medical assistance pursuant to subsection (b) or (c) of this section shall not be subject to any sanction for a violation of a condition of pretrial release, probation, furlough, or parole for a violation of this chapter or 7 V.S.A §§ 656 and 657; for being at the scene of the drug overdose; or for being within close proximity to any person at the scene of the drug overdose.

* * *

(g) The immunity provisions of this section apply only to the use and derivative use of evidence gained as a proximate result of the person's seeking medical assistance for a drug overdose, being the subject of a good faith request for medical assistance, being at the scene, or being within close proximity to any person at the scene of the drug overdose for which medical assistance was sought and do not preclude prosecution of the person on the basis of evidence obtained from an independent source.

Sec. 18. EFFECTIVE DATES

(a) Secs. 2, 6, and 7 shall take effect on January 1, 2015.

(b) This section and Secs. 1 (legislative intent), 3 (risk assessment and needs screening tools), 4 (prosecutor precharge programs and reporting), 10 (Department of Public Safety report), 13 (VPMS query; rulemaking), 14 (medication-assisted therapy, rulemaking), and 17 (immunity from liability) shall take effect on passage.

(c) The remaining sections shall take effect on July 1, 2014.

*RICHARD W. SEARS
JOSEPH C. BENNING
VIRGINIA V. LYONS*

Committee on the part of the Senate

*WILLIAM J. LIPPERT
SANDY J. HAAS
ALICE M. EMMONS*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

Crawford, Geoffrey W. of Burlington - Judge, Associate Justice of the Supreme Court - October 16, 2013, to March 31, 2017.

Hoar, Samuel of South Burlington - Judge, Superior Judge - March 26, 2014, to March 31, 2019.

Message from the Governor

A message was received from His Excellency, the Governor, by Louis Porter, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the ninth day of May, 2014, he approved and signed a bill originating in the Senate of the following title:

S. 177. An act relating to nonjudicial discipline.

Recess

On motion of Senator Baruth the Senate recessed until 7:10 P.M.

Evening

The Senate was called to order by the President.

Senate Concurrent Resolutions

The following joint concurrent resolutions, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted on the part of the Senate:

By Senators Doyle, Cummings and Pollina,

S.C.R. 57.

Senate concurrent resolution congratulating the Capitol Plaza Hotel and Conference Center on providing 20 years of award-winning service to the Montpelier community.

By All Members of the Senate,

By All Members of the House,

S.C.R. 58.

Senate concurrent resolution congratulating the Greenwood School and documentary filmmaker Ken Burns on the premiere of *The Address*.

By Senators Doyle, Cummings and Pollina,

S.C.R. 59.

Senate concurrent resolution congratulating OUR House of Central Vermont on its 25th anniversary.

By All Members of the Senate,

By Representative Webb and others,

S.C.R. 60.

Senate concurrent resolution congratulating Pixley Tyler Hill and Ted Tyler on being named as U.S. Environmental Protection Agency's 2014 Environmental Merit Award winners.

By Senators McAllister, Collins, French, Pollina, Rodgers and White,

By Representative Beyor and others,

S.C.R. 61.

Senate concurrent resolution honoring Franklin County Deputy Sheriff Corporal Brendan McKenney and Enosburgh Ambulance Officer Dean Scott for their heroic rescue efforts in Montgomery.

By Senators Doyle, Cummings and Pollina,

S.C.R. 62.

Senate concurrent resolution congratulating the Vermont State Nurses' Association on its centennial .

By Senators Doyle, Cummings and Pollina,

S.C.R. 63.

Senate concurrent resolution commemorating the U.S. Army's 10th Mountain Division, our nation's alpine soldiers.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having

requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Representative Russell and others,

H.C.R. 356.

House concurrent resolution honoring Rutland Free Library Director Paula Baker.

By the Committee on General, Housing and Military Affairs,

H.C.R. 357.

House concurrent resolution congratulating the Vermont Housing Finance Agency on its 40th anniversary and recognizing the leadership of its executive director, Sarah Carpenter.

By Representative Russell and others,

H.C.R. 358.

House concurrent resolution congratulating the Italian American Club in Rutland on its centennial.

By Representative Moran,

By Senators Galbraith and White,

H.C.R. 359.

House concurrent resolution congratulating William Anton on being named the 2014 Vermont winner of the National Association of Elementary School Principals' National Distinguished Principal Award.

By Representative Moran,

By Senators Galbraith and White,

H.C.R. 360.

House concurrent resolution congratulating Rosemary FitzSimons on being named the 2014 winner of the Henry Giaguque Vermont Elementary Principal of the Year.

By Representative Clarkson and others,

By Senators Campbell, McCormack and Nitka,

H.C.R. 361.

House concurrent resolution congratulating the 2014 Woodstock Union High School Wasps Division II girls' Nordic skiing championship team.

By Representative Clarkson and others,
By Senators Campbell, McCormack and Nitka,

H.C.R. 362.

House concurrent resolution congratulating the 2014 Woodstock Union High School Wasps Division II boys' Nordic skiing championship team.

By the Committee on Commerce and Economic Development,

By the Committee on Economic Development, Housing and General Affairs,

H.C.R. 363.

House concurrent resolution congratulating Vermont Economic Development Authority on its 40th anniversary.

By Representative Campion and others,

By Senators Hartwell and Sears,

H.C.R. 364.

House concurrent resolution in memory of John P. Griffin Jr. of Bennington.

By Representatives Ancel and Klein,

By Senators Doyle, Cummings and Pollina,

H.C.R. 365.

House concurrent resolution congratulating the Washington Electric Cooperative on its 75th anniversary.

By Representative Brennan and others,

By Senator Mazza,

H.C.R. 366.

House concurrent resolution commemorating the 70th anniversary of D-Day.

By Representative Pearce and others,

By Senators Collins, McAllister, Rodgers and Starr,

H.C.R. 367.

House concurrent resolution congratulating the 2013 Richford High School's Division IV girls' track and field team.

By Representatives Turner and Hubert,

H.C.R. 368.

House concurrent resolution congratulating the Milton High School Drama Club on winning the Vermont Drama Festival's one-act play competition.

By Representative Ralston and others,

H.C.R. 369.

House concurrent resolution congratulating the 2014 Middlebury Union High School Tigers Division II championship girls' ice hockey team.

By Representative Clarkson and others,

By Senators Campbell, McCormack and Nitka,

H.C.R. 370.

House concurrent resolution congratulating the Farm & Wilderness Camps on their 75th anniversary.

By Representative Mrowicki and others,

By Senator White,

H.C.R. 371.

House concurrent resolution honoring Windham Southeast Supervisory Union Business Administrator James E. Kane.

By Representative Bissonnette and others,

H.C.R. 372.

House concurrent resolution congratulating Penny Ly on being named the Vermont winner of the 2014 Doodle 4 Google competition.

By Representatives Lanpher and Van Wyck,

By Senators Ayer and Bray,

H.C.R. 373.

House concurrent resolution honoring Frances Ann Sullivan of Vergennes.

By Representative Gallivan and others,

By Senators Flory, French and Mullin,

H.C.R. 374.

House concurrent resolution in memory of former Representative Ira Pike of Mendon.

By Representatives French and Ryerson,

By Senator MacDonald,

H.C.R. 375.

House concurrent resolution congratulating Coy Lyford on winning his third consecutive State youth wrestling championship.

By Representative French and others,

By Senators MacDonald and McCormack,

H.C.R. 376.

House concurrent resolution congratulating Rebecca Carleton on winning the National Art Education Association's 2014 Eastern Region Educator of the Year Award.

By Representative Morrissey and others,

By Senators Hartwell and Sears,

H.C.R. 377.

House concurrent resolution congratulating the Bennington Fire Department on its 50th Bennington Battle Day Parade.

By Representative Dickinson and others,

H.C.R. 378.

House concurrent resolution honoring the Vermont Elks Association's Silver Towers Camp.

By Representative Rachelson and others,

By Senator Baruth,

H.C.R. 379.

House concurrent resolution honoring University of Vermont Associate Professor of Philosophy Arthur Kuflik.

By Representative Stuart and others,

By Senators Ayer, Baruth, Doyle, French, Hartwell, Lyons, McAllister, McCormack, Pollina, Rodgers, Sirotkin, White and Zuckerman,

H.C.R. 380.

House concurrent resolution designating May 7, 2014 as Poverty Awareness Day in Vermont.

By Representative Stuart and others,

By Senators Galbraith and White,

H.C.R. 381.

House concurrent resolution honoring former Brattleboro Selectboard Chair Jesse M. Corum IV for his legal and civic leadership in Windham County.

By Representative Martin and others,

By Senators Campbell, McCormack and Nitka,

H.C.R. 382.

House concurrent resolution congratulating Kelly Stettner of Springfield on being named the 2014 winner of the Green Mountain Power–Zetterstrom Environmental Award.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the morning.

SATURDAY, MAY 10, 2014

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 83

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 287. An act relating to involuntary treatment and medication.

And has adopted the same on its part.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 221. An act relating to providing statutory purposes for tax expenditures.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 184. An act relating to eyewitness identification policy.

And has concurred therein.

Joint Senate Resolution Adopted on the Part of the Senate

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Campbell,

J.R.S. 59. Joint resolution relating to final adjournment of the General Assembly in 2014.

Resolved by the Senate and House of Representatives

That when the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses on the tenth day of May, 2014, they shall do so to reconvene on the thirteenth day of June, 2014, at ten o'clock in the forenoon if the Governor should fail to approve and sign any bill and should he return it to the house of origin with his objections in writing after such adjournment, but if the Governor should *not* so return any bill to either house, to be adjourned *sine die*.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Bill Delivered

S. 287.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to involuntary treatment and medication.

Was taken up for immediate consideration.

Senator White, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 287. An act relating to involuntary treatment and medication.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House Proposal of Amendment with further amendments as follows:

First: In Sec. 8, 18 V.S.A. § 7509, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) ~~The person~~ All persons admitted or held for admission shall be given the opportunity, subject to reasonable limitations, to communicate with others, including visits by a peer or other support person designated by the person, presence of the support person at all treatment team meetings the person is entitled to attend, the reasonable use of a telephone, and the reasonable use of electronic mail and the Internet.

Second: In Sec. 10, 18 V.S.A. § 7612a, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) If, based on a review conducted pursuant to subsection (a) of this section, the Court finds probable cause to believe that the person was a person in need of treatment at the time of his or her admission, the person shall be ordered held in the temporary custody of the Commissioner for further proceedings in accordance with Part 8 of this title. If probable cause is not established, the person shall be ordered discharged or released from the hospital and returned to the place from which he or she was transported or to such place as the person may reasonably direct.

Third: In Sec. 11, 18 V.S.A. § 7615, by inserting after subdivision (a)(2)(B) a new subdivision to be (a)(3) to read as follows:

(3) If a hearing on the application for involuntary treatment has not occurred within 60 days from the date of the Court's receipt of the application, the Commissioner shall request that the Court and both parties' attorneys provide the reasons for the delay. The Commissioner shall submit a report to the Court, the Secretary of Human Services, and the patient's attorney that either explains why the delay was warranted or makes recommendations as to how delays of this type can be avoided in the future.

Fourth: In Sec. 11, 18 V.S.A. § 7615, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) The proposed patient may at his or her election attend the hearing, subject to reasonable rules of conduct, and the ~~court~~ Court may exclude all persons, except a peer or other support person designated by the proposed patient, not necessary for the conduct of the hearing.

Fifth: In Sec. 12, 18 V.S.A. § 7624, by striking out subsections (a) and (b) in their entirety and inserting in lieu thereof the following:

(a) The ~~commissioner~~ Commissioner may commence an action for the involuntary medication of a person who is refusing to accept psychiatric medication and meets any one of the following ~~three~~ six conditions:

(1) has been placed in the ~~commissioner's~~ Commissioner's care and custody pursuant to section 7619 of this title or subsection 7621(b) of this title;

(2) has previously received treatment under an order of hospitalization and is currently under an order of nonhospitalization, including a person on an order of nonhospitalization who resides in a secure residential recovery facility; or

(3) has been committed to the custody of the ~~commissioner of corrections~~ Commissioner of Corrections as a convicted felon and is being held in a correctional facility which is a designated facility pursuant to section 7628 of this title and for whom the ~~department of corrections and the department of mental health~~ Departments of Corrections and of Mental Health have jointly determined jointly that involuntary medication would be appropriate pursuant to 28 V.S.A. § 907(4)(H);

(4) has an application for involuntary treatment pending for which the Court has granted a motion to expedite pursuant to subdivision 7615(a)(2)(A)(i) of this title;

(5)(A) has an application for involuntary treatment pending;

(B) waives the right to a hearing on the application for involuntary treatment until a later date; and

(C) agrees to proceed with an involuntary medication hearing without a ruling on whether he or she is a person in need of treatment; or

(6) has had an application for involuntary treatment pending pursuant to subdivision 7615(a)(1) of this title for more than 26 days without a hearing having occurred and the treating psychiatrist certifies, based on specific behaviors and facts set forth in the certification, that in his or her professional judgment there is good cause to believe that:

(A) additional time will not result in the person establishing a therapeutic relationship with providers or regaining competence; and

(B) serious deterioration of the person's mental condition is occurring.

(b)(1) A Except as provided in subdivisions (2), (3), and (4) of this subsection, a petition for involuntary medication shall be filed in the ~~family division of the superior court~~ Family Division of the Superior Court in the county in which the person is receiving treatment.

(2) If the petition for involuntary medication is filed pursuant to subdivision (a)(4) of this section:

(A) the petition shall be filed in the county in which the application for involuntary treatment is pending; and

(B) the Court shall consolidate the application for involuntary treatment with the petition for involuntary medication and rule on the application for involuntary treatment before ruling on the petition for involuntary medication.

(3) If the petition for involuntary medication is filed pursuant to subdivisions (a)(5) or (a)(6) of this section, the petition shall be filed in the county in which the application for involuntary treatment is pending.

(4) Within 72 hours of the filing of a petition for involuntary medication pursuant to subdivision (a)(6) of this section, the Court shall determine, based solely upon a review of the psychiatrist's certification and any other filings, whether the requirements of that subdivision have been established. If the Court determines that the requirements of subdivision (a)(6) of this section have been established, the Court shall consolidate the application for involuntary treatment with the petition for involuntary medication and hear both applications within ten days of the date that the petition for involuntary medication is filed. The Court shall rule on the application for involuntary treatment before ruling on the petition for involuntary medication. Subsection 7615(b) of this title shall apply to applications consolidated pursuant to this subdivision.

Sixth: In Sec. 13, 18 V.S.A. § 7625, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) ~~A~~ Unless consolidated with an application for involuntary treatment pursuant to subdivision 7624(b)(2) or (b)(4) of this title, a hearing on a petition for involuntary medication shall be held within seven days of filing and shall be conducted in accordance with sections 7613, 7614, ~~7615(b)-(e)~~, and 7616 and subsections ~~7615(b)-(e)~~ of this title.

Seventh: In Sec. 15, 18 V.S.A. § 7627, by striking out subdivision (f)(2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) The order shall require the person's treatment provider to conduct ~~monthly~~ weekly reviews of the medication to assess the continued need for involuntary medication, the effectiveness of the medication, the existence of any side effects, and whether the patient has become competent pursuant to subsection 7625(c) of this title and shall also require the person's treatment provider to document this review in detail in the patient's chart. The person's

treatment provider shall notify the Department when he or she determines that the patient has regained competence. Within two days of receipt, the Department shall provide a copy of the notice to the patient's attorney.

Eighth: In Sec. 15, 18 V.S.A. § 7627, in subsection (g), by striking out the last sentence and inserting in lieu thereof a new sentence to read as follows: If at any time the treating psychiatrist finds that a person subject to an order for involuntary medication has become competent pursuant to subsection 7625(c) of this title, the order shall no longer be in effect.

Ninth: In Sec. 16, 18 V.S.A. § 7629, by striking out subsections (a) through (c) in their entirety and inserting in lieu thereof new subsections (a) through (c) to read as follows:

(a) It is the intention of the ~~general assembly~~ General Assembly to recognize the right of a legally competent person to determine whether or not to accept medical treatment, ~~including involuntary medication,~~ absent an emergency or a determination that the person is incompetent and lacks the ability to make a decision and appreciate the consequences.

(b) ~~This act protects this right through a judicial proceeding prior to the use of nonemergency involuntary medication and by limiting the duration of an order for involuntary treatment to no more than one year. The least restrictive conditions consistent with the person's right to adequate treatment shall be provided in all cases. The General Assembly adopts the goal of high-quality, patient-centered health care, which the Institute of Medicine defines as "providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions."~~ A substitute decision-maker is sometimes necessary to make a decision about care when a person is incompetent and lacks the ability to make a decision and appreciate the consequences. Even when a person lacks competence, health care that a person is opposing should be avoided whenever possible because the distress and insult to human dignity that results from compelling a person to participate in medical treatment against his or her will are real, regardless of how poorly the person may understand the decision.

(c) It is the policy of the ~~general assembly~~ General Assembly to work ~~towards~~ toward a mental health system that does not require coercion or the use of involuntary medication.

Tenth: In Sec. 23, by striking out Sec. 23 in its entirety and inserting in lieu thereof a new Sec. 23 to read as follows:

Sec. 23. LEGISLATIVE INTENT; EMERGENCY INVOLUNTARY PROCEDURES

The Mental Health Oversight Committee shall identify and include in its 2014 annual report a list of policies that may require clarification of legislative intent in order for the Department of Mental Health to proceed with rulemaking pursuant to 2012 Acts and Resolves No.79, Sec. 33a. The Committee shall also make recommendations as to any legislation needed to clarify legislative intent for those policies identified by the Committee.

Eleventh: By inserting after Sec. 27 a new Sec. 28 to read as follows:

Sec. 28. REPORT; APPLICATIONS ON INVOLUNTARY TREATMENT AND MEDICATION

On or before February 1, 2015, the Department of Mental Health and the Court Administrator shall jointly submit a report to the House Committees on Human Services and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary containing data on:

(1) the total number of applications for involuntary treatment filed, and the total number granted, between July 1, 2014 and December 31, 2014, and, of those filed, the total number expedited pursuant to 18 V.S.A. § 7615(a)(2)(A)(i) and (a)(2)(A)(ii); and

(2) the total number of applications for involuntary medication filed, and the total number granted, between July 1, 2014 and December 31, 2014 pursuant to 18 V.S.A. § 7624(a), including the total number of applications filed under each subdivision.

And by renumbering the remaining section to be numerically correct.

*JEANETTE K. WHITE
CLAIRE D. AYER
RICHARD W. SEARS*

Committee on the part of the Senate

*THOMAS F. KOCH
ANNE B. DONAHUE
WILLIAM J. LIPPERT*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered delivered to the Governor forthwith.

Action Reconsidered; Consideration Postponed**J.R.S. 59.**

Assuring the Chair that he voted with the majority whereby the joint resolution was passed by the Senate, Senator Baruth moved that the rules be suspended and that the Senate reconsider its action on Senate resolution entitled:

Joint resolution relating to final adjournment of the General Assembly in 2014.

Which was agreed to.

Thereupon, without objection consideration of the resolution was postponed until later in the day.

Recess

On motion of Senator Campbell the Senate recessed until 1:00 P.M.

Afternoon

The Senate was called to order by the President.

Message from the House No. 84

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 308. An act relating to regulating precious metal dealers.

And has passed the same in concurrence.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 28. An act relating to gender-neutral nomenclature for the identification of parents on birth certificates.

And has concurred therein.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 699. An act relating to temporary housing.

And has adopted the same on its part.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 356. House concurrent resolution honoring Rutland Free Library Director Paula Baker.

H.C.R. 357. House concurrent resolution congratulating the Vermont Housing Finance Agency on its 40th anniversary and recognizing the leadership of its executive director, Sarah Carpenter.

H.C.R. 358. House concurrent resolution congratulating the Italian American Club in Rutland on its centennial.

H.C.R. 359. House concurrent resolution congratulating William Anton on being named the 2014 Vermont winner of the National Association of Elementary School Principals' National Distinguished Principal Award.

H.C.R. 360. House concurrent resolution congratulating Rosemary FitzSimons on being named the 2014 winner of the Henry Giaguque Vermont Elementary Principal of the Year.

H.C.R. 361. House concurrent resolution congratulating the 2014 Woodstock Union High School Wasps Division II girls' Nordic skiing championship team.

H.C.R. 362. House concurrent resolution congratulating the 2014 Woodstock Union High School Wasps Division II boys' Nordic skiing championship team.

H.C.R. 363. House concurrent resolution congratulating Vermont Economic Development Authority on its 40th anniversary.

H.C.R. 364. House concurrent resolution in memory of John P. Griffin Jr. of Bennington.

H.C.R. 365. House concurrent resolution congratulating the Washington Electric Cooperative on its 75th anniversary.

H.C.R. 366. House concurrent resolution commemorating the 70th anniversary of D-Day.

H.C.R. 367. House concurrent resolution congratulating the 2013 Richford High School's Division IV girls' track and field team.

H.C.R. 368. House concurrent resolution congratulating the Milton High School Drama Club on winning the Vermont Drama Festival's one-act play competition.

H.C.R. 369. House concurrent resolution congratulating the 2014 Middlebury Union High School Tigers Division II championship girls' ice hockey team.

H.C.R. 370. House concurrent resolution congratulating the Farm & Wilderness Camps on their 75th anniversary.

H.C.R. 371. House concurrent resolution honoring Windham Southeast Supervisory Union Business Administrator James E. Kane.

H.C.R. 372. House concurrent resolution congratulating Penny Ly on being named the Vermont winner of the 2014 Doodle 4 Google competition.

H.C.R. 373. House concurrent resolution honoring Frances Ann Sullivan of Vergennes.

H.C.R. 374. House concurrent resolution in memory of former Representative Ira Pike of Mendon.

H.C.R. 375. House concurrent resolution congratulating Coy Lyford on winning his third consecutive State youth wrestling championship.

H.C.R. 376. House concurrent resolution congratulating Rebecca Carleton on winning the National Art Education Association's 2014 Eastern Region Educator of the Year Award.

H.C.R. 377. House concurrent resolution congratulating the Bennington Fire Department on its 50th Bennington Battle Day Parade.

H.C.R. 378. House concurrent resolution honoring the Vermont Elks Association's Silver Towers Camp.

H.C.R. 379. House concurrent resolution honoring University of Vermont Associate Professor of Philosophy Arthur Kuflik.

H.C.R. 380. House concurrent resolution designating May 7, 2014 as Poverty Awareness Day in Vermont.

H.C.R. 381. House concurrent resolution honoring former Brattleboro Selectboard Chair Jesse M. Corum IV for his legal and civic leadership in Windham County.

H.C.R. 382. House concurrent resolution congratulating Kelly Stettner of Springfield on being named the 2014 winner of the Green Mountain Power-Zetterstrom Environmental Award.

H.C.R. 383. House concurrent resolution in memory of John C. Whitney of Georgia.

The House has considered concurrent resolutions originating in the Senate of the following titles:

S.C.R. 57. Senate concurrent resolution congratulating the Capitol Plaza Hotel and Conference Center on providing 20 years of award-winning service to the Montpelier community.

S.C.R. 58. Senate concurrent resolution congratulating the Greenwood School and documentary filmmaker Ken Burns on the premiere of *The Address*.

S.C.R. 59. Senate concurrent resolution congratulating OUR House of Central Vermont on its 25th anniversary.

S.C.R. 60. Senate concurrent resolution congratulating Pixley Tyler Hill and Ted Tyler on being named as U.S. Environmental Protection Agency's 2014 Environmental Merit Award winners.

S.C.R. 61. Senate concurrent resolution honoring Franklin County Deputy Sheriff Corporal Brendan McKenney and Enosburgh Ambulance Officer Dean Scott for their heroic rescue efforts in Montgomery.

S.C.R. 62. Senate concurrent resolution congratulating the Vermont State Nurses' Association on its centennial .

S.C.R. 63. Senate concurrent resolution commemorates the U.S. Army's 10th Mountain Division, our nation's alpine soldiers.

And has adopted the same in concurrence.

Message from the House No. 85

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 299. An act relating to sampler flights.

And has adopted the same on its part.

Consideration Resumed; Consideration Postponed

J.R.S. 59.

Consideration was resumed on joint resolution entitled:

Joint resolution relating to final adjournment of the General Assembly in 2014.

Was taken up.

Thereupon, pending the question, Shall the joint resolution be adopted on the part of the Senate?, Senator Baruth moved the joint resolution be referred to the Committee on Rules.

Thereupon, without objection consideration of the resolution was postponed until later in the day.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 790.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to Reach Up eligibility.

Was taken up for immediate consideration.

Senator Ayer, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 790. An act relating to Reach Up eligibility.

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

* * * Reach Up Earned Income Disregard and Counseling * * *

Sec. 1. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

(a) Financial assistance shall be given for the benefit of a dependent child to the relative or caretaker with whom the child is living unless otherwise provided. The amount of financial assistance to which an eligible person is entitled shall be determined with due regard to the income, resources, and maintenance available to that person and, as far as funds are available, shall provide that person a reasonable subsistence compatible with decency and health. The Commissioner may fix by regulation maximum amounts of financial assistance, and act to ~~insure~~ ensure that the expenditures for the programs shall not exceed appropriations for them consistent with section 101 of this title. In no case may the Department expend State funds in excess of the appropriations for the programs under this chapter.

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

(1) No less than the first ~~\$200.00~~ \$250.00 per month of earnings from an unsubsidized job and 25 percent of the remaining unsubsidized earnings shall be disregarded in determining the amount of the family's financial assistance grant. The family shall receive the difference between countable income and the Reach Up payment standard in a partial financial assistance grant.

* * *

Sec. 2. 33 V.S.A. § 1107(a) is amended to read:

(a)(1) The Commissioner shall provide all Reach Up services to participating families through a case management model informed by knowledge of the family's home, community, employment, and available resources. Services may be delivered in the district office, the family's home, or community in a way that facilitates progress toward accomplishment of the family development plan. Case management may be provided to other eligible families. The case manager, with the full involvement of the family, shall recommend, and the Commissioner shall modify as necessary a family development plan established under the Reach First or Reach Up program for each participating family, with a right of appeal as provided by section 1132 of this title. A case manager shall be assigned to each participating family as soon as the family begins to receive financial assistance. If administratively feasible and appropriate, the case manager shall be the same case manager the family was assigned in the Reach First program. The applicant for or recipient of financial assistance, under this chapter, shall have the burden of demonstrating the existence of his or her condition.

(2) In addition to the services provided pursuant to subsection (b) of this section, the Commissioner shall provide for a mandatory case review for each participating family with a program director or the program director's designee when the family reaches 18 and 36 months of enrollment, respectively, in the Reach Up program to assess whether the participating family:

(A) is in compliance with a family development plan or work requirement;

(B) is properly claiming a deferment, if applicable; ~~and~~

(C) has any unaddressed barriers to self-sufficiency and, if so, how those barriers may be better addressed by the Department for Children and Families or other State programs; and

(D) has additional opportunities to achieve earned income through the program without a corresponding loss of benefits.

(3) The case manager shall meet with each participating family following any statutory or rule changes affecting the amount of the earned income disregard, asset limitations, or other eligibility or benefit criteria in the Reach Up program to inform the family of the changes and advise the family about ways to maximize the opportunities to achieve earned income without a corresponding loss of benefits.

* * * Earned Income Disregard Offset, Etc. * * *

Sec. 3. 33 V.S.A. § 1204 is amended to read:

§ 1204. FOOD ASSISTANCE

(a)(1) An eligible family shall receive monthly food assistance equal to ~~\$100.00~~ \$50.00 to be applied to the family's electronic benefit transfer (EBT) food account for the first ~~six~~ 12 months after the family has become eligible for Reach Ahead.

(2) For the ~~seventh~~ 12th through ~~12th~~ 24th months, the family shall receive a monthly food assistance of ~~\$50.00~~ \$5.00.

* * *

(d) The 12th through 24th months of assistance shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the 12th through 24th months of assistance, the assistance shall be suspended or modified.

Sec. 4. REACH AHEAD; GRANDFATHER PROVISION

Notwithstanding 33 V.S.A. § 1204(a), any family within the first six months of its participation in the Reach Ahead program on July 1, 2015 shall continue to receive monthly food assistance equal to \$100.00 until its seventh month of participation in the program, at which time it shall receive monthly food assistance equal to \$50.00 for the remainder of the initial 12-month period.

* * * Enhanced Child Care Services Subsidy * * *

Sec. 5. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE SERVICES ~~PROGRAM~~ PROGRAMS; ELIGIBILITY

(a)(1) A child care services program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment or to obtain training leading to employment. Families seeking employment shall not be

entitled to participate in the program for a period in excess of one month, unless that period is extended by the Commissioner.

~~(b)(2)~~ (2) The subsidy authorized by this ~~section~~ subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the federal poverty guidelines nor more than 100 percent of the ~~state~~ State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment.

(b)(1) An enhanced child care services subsidy program is established for families participating in the Reach Ahead program.

(2) The enhanced child care services subsidy program established by this subsection shall be administered by the Department's Child Development Division. The Commissioner shall adopt rules necessary for the administration of the program pursuant to 3 V.S.A. chapter 25.

(3) The subsidy authorized by this subsection shall be no greater than 100 percent of the subsidy provided in subsection (a) of this section.

(4) A participating family shall remain eligible for the enhanced child care services subsidy program between 12 and 24 months as long as one or more dependent children of a working parent or parents are receiving child care services. The Commissioner for Children and Families may extend the subsidy beyond 24 months if the Commissioners for Children and Families and of Finance and Management determine jointly that an extension can be accommodated within appropriated resources.

(5) The enhanced child care services subsidy program shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the program, the program shall be suspended or modified.

Sec. 6. 33 V.S.A. § 1205 is amended to read:

§ 1205. REQUIRED SERVICES TO PARTICIPATING FAMILIES

(a) The Commissioner shall provide participating families Reach Ahead services, case management services if necessary, and referral to any agencies or programs, including workforce development, that provide the services needed by participating families to improve the family's prospects for employment retention. Reach Ahead services shall be provided for ~~12~~ 24 months.

(b) A participating family shall be eligible for an enhanced child care services subsidy during its 12th through 24th months on the Reach Ahead program pursuant to subsection 3512(b) of this title.

Sec. 7. INTERIM REPORT

The Department for Children and Families shall submit a written report to the Health Care Oversight Committee on or before November 1, 2014 regarding the estimated cost of the enhanced child care services subsidy program, the estimated cost of the increased Reach Up earned income disregard, and the projected caseload reduction savings in the Reach Up program.

Sec. 8. BUDGET PRESENTATION

The Department for Children and Families shall include as part of its fiscal year 2016 budget presentation to the General Assembly a preliminary estimate of the projected Reach Up program cost reduction associated with caseload estimates below the level appropriated for fiscal year 2015, the projected cost of the increased Reach Up earned income disregard, and the parameters and cost projections for the enhanced child care services subsidy.

* * * Report * * *

Sec. 9. REPORT; REACH UP EARNED INCOME DISREGARD

(a) The Commissioner for Children and Families shall explore the feasibility of implementing a transitional Supplemental Nutrition Assistance Program benefit that will allow the Department to draw federal funds. In particular, the Commissioner shall explore the extent to which additional federal funding in the Supplemental Nutrition Assistance Program could offset the cost of food assistance during the first five months of the Reach Ahead program and, consequently, free State funds to offset an increase to the earned income disregard in the Reach Up program. The Commissioner shall submit the report to the Health Care Oversight Committee on or before October 15, 2014.

(b) The Health Care Oversight Committee shall make recommendations based on the Commissioner's report to the committees of jurisdiction as part of its 2014 annual report.

* * * Effective Dates * * *

Sec. 10. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that Secs. 1, 3, 5, and 6 shall take effect July 1, 2015.

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

An act relating to Reach Up, Reach Ahead, and the Enhanced Child Care Services Subsidy Program.

CLAIRE D. AYER
ALICE W. NITKA
VIRGINIA V. LYONS

Committee on the part of the Senate

MATTHEW A. TRIEBER
ANN D. PUGH
ANNE T. O'BRIEN

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 299.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to sampler flights.

Was taken up for immediate consideration.

Senator Mullin, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 299. An act relating to sampler flights.

Respectfully reports that it has met and considered the same and recommends that the House recede from its Proposal of Amendment to the Senate Proposal of Amendment to the House Proposal of Amendment, and the House accede to the Senate Proposal of Amendment to House Proposal of Amendment, and that the Senate accede to the House Proposal of Amendment, and that the bill be further amended by striking out Sec. 8 in its entirety and inserting in lieu thereof a new Sec. 8 to read:

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage.

*KEVIN J. MULLIN
CHRISTOPHER A. BRAY
DONALD E. COLLINS*

Committee on the part of the Senate

*HELEN J. HEAD
THOMAS S. STEVENS
WARREN VAN WYCK*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 884.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to miscellaneous tax changes.

Was taken up for immediate consideration.

Senator Ashe, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 884. An act relating to miscellaneous tax changes.

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

* * * Technical and Administrative Provisions * * *

* * * Personal and Corporate Income Taxes * * *

Sec. 1. 32 V.S.A. § 5862d is amended to read:

§ 5862d. FILING OF FEDERAL FORM 1099

(a) Any individual or business required to file a federal form 1099 with respect to a nonresident who performed services within the State during the taxable year shall file a copy of the form with the Department. The Commissioner may authorize electronic filing of the form.

(b) Any individual or business required to file information returns pursuant to 26 U.S.C. § 6050W shall within 30 days of the date the filing is due to the Internal Revenue Service file with the Commissioner a duplicate of such information returns on which the recipient has a Vermont address. The Commissioner may authorize electronic filing of the form.

Sec. 2. 32 V.S.A. § 5862(c) is amended to read:

(c) Taxable corporations which received any income allocated or apportioned to this State under the provisions of section 5833 of this title for the taxable year and which under the laws of the United States constitute an affiliated group of corporations may elect to file a consolidated return in lieu of separate returns if such corporations qualify and elect to file a consolidated federal income tax return for that taxable year. Such an election to file a Vermont consolidated return shall continue for five years, including the year the election is made.

Sec. 3. 32 V.S.A. § 5862f is added to read:

§ 5862f. VERMONT GREEN UP CHECKOFF

(a) Returns filed by individuals shall include, on a form prescribed by the Commissioner of Taxes, an opportunity for the taxpayer to designate funds to Vermont Green Up, Inc.

(b) Amounts so designated shall be deducted from refunds due to, or overpayments made by, the designating taxpayers. All amounts so designated and deducted shall be deposited in an account by the Commissioner of Taxes for payment to Vermont Green Up, Inc. If at any time after the payment of amounts so designated to the account it is determined that the taxpayer was not entitled to all or any part of the amount so designated, the Commissioner may assess, and the account shall then pay to the Commissioner, the amount received, together with interest at the rate prescribed by section 3108 of this title, from the date the payment was made until the date of repayment.

(c) The Commissioner of Taxes shall explain to taxpayers the purposes of the account and how to contribute to it. The Commissioner shall make available to taxpayers the annual income and expense report of Vermont Green Up, Inc., and shall provide notice in the instructions for the State individual income tax return that the report is available at the Department of Taxes.

(d) If amounts paid with respect to a return are insufficient to cover both the amount owed on the return under this chapter and the amount designated by the taxpayer as a contribution to Vermont Green Up, Inc., the payment shall first be applied to the amount owed on the return under this chapter and the balance, if any, shall be deposited in the account.

(e) Nothing in this section shall be construed to require the Commissioner to collect any amount designated as a contribution to Vermont Green Up, Inc.

Sec. 4. 32 V.S.A. § 5930b(c)(9) is amended to read:

(9) Incentive claims must be filed annually no later than the last day of April of ~~each the current year of the~~ for the prior year's utilization period. For a claim to be considered a timely filing and eligible for an incentive payment, all forms and workbooks must be complete and all underlying documentation, such as that required pursuant to subsection 5842(c) of this title, must be filed with the Department of Taxes. Incomplete claims may be considered to have been timely filed if a complete claim is filed within the time prescribed by the Department of Taxes. If a claim is not filed each year of the utilization period, any incentive installment previously paid shall be recaptured in accordance with subsection (d) of this section and upon notice from the Department of Taxes that the business failed to file a complete timely claim, the Vermont Economic Progress Council shall revoke all authority for the business to earn and claim incentives under this subchapter. The incentive return shall be subject to all provisions of this chapter governing the filing of tax returns. No interest shall be paid by the Department of Taxes for any reason with respect to incentives allowed under this section.

Sec. 5. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect for taxable year ~~2012~~ 2013, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

Sec. 6. 32 V.S.A. § 7475 is amended to read:

§ 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

The laws of the United States relating to federal estate and gift taxes as in effect on December 31, ~~2012~~ 2013, are hereby adopted for the purpose of computing the tax liability under this chapter, except:

(1) the credit for State death taxes shall remain as provided for under 26 U.S.C. §§ 2011 and 2604 as in effect on January 1, 2001;

(2) the applicable credit amount shall under 26 U.S.C. § 2010 shall not apply; and the tax imposed under section 7442a of this chapter shall be calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were \$2,750,000.00; and

(3) the deduction for State death taxes under 26 U.S.C. § 2058 shall not apply.

* * * Tax Increment Financing Districts * * *

Sec. 7. 2011 Acts and Resolves No. 45, Sec. 16 is amended to read:

Sec. 16. BURLINGTON TAX INCREMENT FINANCING

(a) Pursuant to ~~Sec. 83 of No. 54 of the Acts of the 2009 Adj. Sess. (2010) 2010 Acts and Resolves No. 54, Sec. 83, the joint fiscal committee~~ Joint Fiscal Committee approved a formula for the implementation of a payment to the ~~education fund~~ Education Fund in lieu of tax increment payments.

(b) The terms of the formula approved by the ~~joint fiscal committee~~ Joint Fiscal Committee are as follows:

(1) Beginning in the fiscal year in which there is the incurrence of new TIF debt, the ~~city~~ City will calculate and make an annual payment on December 10th to the ~~education fund~~ Education Fund each year until 2025. The April 1, 2010 grand list for the area encompassing the existing Waterfront TIF – excluding two parcels at 25 Cherry Street or the Marriott Hotel (SPAN#114-035-20755) and 41 Cherry Street – is the baseline to be used as the starting point for calculating the tax increment that will be divided 25 percent to the ~~state education fund~~ State Education Fund and 75 percent to the ~~city~~ City of Burlington. At the conclusion of the TIF in FY2025, any surplus tax increment funds will be returned to the ~~city~~ City of Burlington and ~~state education fund~~ State Education Fund in proportion to the relative municipal and education tax rates as clarified in a letter from Mayor Bob Kiss to the ~~chair of the joint fiscal committee~~ Chair of the Joint Fiscal Committee dated September 9, 2009.

(2) The formula for calculating the payment in lieu of tax increment is as follows: first, the difference between the grand list for the Waterfront TIF excluding the two hotel parcels from the fiscal year in which the payment is due and the April 1, 2010 grand list is calculated. Next, that amount is multiplied by the current education property tax rates to determine the increment subject to payment. Finally, this new increment is multiplied by 25 percent to derive the payment amount.

(3) ~~The city of Burlington will prepare a report annually, beginning July 1, 2010, for both the joint fiscal committee and the department of taxes, which will contain:~~

~~(A) the calculation set out in subdivision (2) of this subsection;~~

~~(B) a listing of each parcel within the Waterfront TIF District and the 1996 original taxable value, 2010 extended base value, and the most recent values for all homestead and nonresidential property;~~

~~(C) a history of all of the TIF revenue and debt service payments; and~~

~~(D) details of new debt authorized, including repayment schedules.~~
[Repealed.]

Sec. 8. 24 V.S.A. § 1894(b) and (c) are amended to read:

(b) Use of the education property tax increment. For only debt ~~and related costs~~ incurred within the period permitted under subdivision (a)(1) of this section after creation of the district, and related costs, up to 75 percent of the education tax increment may be retained for up to 20 years, beginning with the education tax increment generated the year in which the first debt incurred for improvements financed in whole or in part with incremental education property tax revenue. Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the 20-year retention period of education tax increment.

(c) Use of the municipal property tax increment. For only debt ~~and related costs~~ incurred within the period permitted under subdivision (a)(1) of this section after creation of the district, and related costs, not less than an equal share of the municipal tax increment pursuant to subsection (f) of this section shall be retained to service the debt, beginning the first year in which debt is incurred, pursuant to subsection (b) of this section.

Sec. 9. 24 V.S.A. § 1894(e) is amended to read:

(e) Proportionality. The municipal legislative body may ~~pledge and appropriate~~ commit the State education and municipal tax increments received from properties contained within the tax increment financing district for the financing of improvements and for related costs only in the same proportion by which the improvement or related costs serve the district, as determined by the Council when approved in accordance with 32 V.S.A. § 5404a(h), and in the case of an improvement that does not reasonably lend itself to a proportionality formula, the Council shall apply a rough proportionality and rational nexus test.

Sec. 10. 24 V.S.A. § 1895 is amended to read:

§ 1895. ORIGINAL TAXABLE VALUE

As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the ~~original taxable value has increased or decreased and the~~

~~proportion which any such increase bears to the total assessed valuation of the real property for that year or the proportion which any such decrease bears to the original taxable value~~ total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.

Sec. 11. 24 V.S.A. § 1896(a) is amended to read:

(a) In each year following the creation of the district, the listers or assessor shall include no more than the original taxable value of the real property in the assessed valuation upon which the ~~listers or assessor~~ treasurer computes the rates of all taxes levied by the municipality, ~~the school district,~~ and every other taxing district in which the tax increment financing district is situated; but the ~~listers or assessor~~ treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year. In each year for which the assessed valuation exceeds the original taxable value, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property in the district which the excess valuation bears to the total assessed valuation. The amount held apart each year is the "tax increment" for that year. No more than the percentages established pursuant to section 1894 of this subchapter of the municipal and ~~state~~ State education tax increments received with respect to the district and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness of the district has been fully paid. The final payment shall be reported to the ~~listers or assessor~~ treasurer, who shall thereafter include the entire assessed valuation of the district in the assessed valuations upon which municipal and other tax rates are computed and extended and ~~taxes are remitted to all taxing districts thereafter no taxes from the district shall be deposited in the district's tax increment financing account.~~

Sec. 12. 24 V.S.A. § 1901(3) is amended to read:

(3) Annually:

(A) ~~include in the municipal audit cycle prescribed in section 1681 of this title a report of finances of~~ ensure that the tax increment financing district, including account required by section 1896 of this subchapter is subject to the annual audit prescribed in section 1681 of this title. Procedures must include verification of the original taxable value and annual and total municipal and education tax increments generated, annual and total expenditures on improvements and related costs, all indebtedness of the district, including the initial debt, interest rate, terms, and annual and total principal and interest

~~payments, an accounting of revenue sources other than property tax revenue by type and dollar amount, and an accounting of the special account required by section 1896 of this subchapter, including revenue, expenditures for debt and related costs, and current balance;~~

(B) on or before January 15 of each year, on a form prescribed by the Council, submit an annual report to the Vermont Economic Progress Council and the Department of Taxes, including the information required by subdivision (2) of this section if not already submitted during the year, all information required by subdivision (A) of this subdivision (3), and the information required by 32 V.S.A. § 5404a(i), including performance indicators and any other information required by the Council or the Department of Taxes.

Sec. 13. 32 V.S.A. § 5404a(j) is amended to read:

(j) Tax increment financing district rulemaking, oversight, and enforcement.

* * *

(2) Authority to issue decisions.

(A) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, is authorized to issue decisions to a municipality ~~regarding~~ on questions and inquiries ~~about~~ concerning the administration of tax increment financing districts, statutes, rules, noncompliance with 24 V.S.A. chapter 53, subchapter 5, and any instances of noncompliance identified in audit reports conducted pursuant to subsection (l) of this section.

(B) The Vermont Economic Progress Council shall prepare recommendations for the Secretary prior to the issuance of a decision. As appropriate, the Council may prepare such recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position. The Secretary shall review the recommendations of the Council and issue a final written decision on each matter within 60 days of the ~~recommendation receipt of the recommendations~~. However, pursuant to subdivision (5) of this subsection (j), the Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.

* * *

Sec. 14. 32 V.S.A. § 5404a(1) is amended to read:

(1) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

(1) For municipalities with a district created prior to January 1, 2006 and a debt repayment schedule that anticipates retention of education increment beyond fiscal year 2016, an audit shall be conducted when approximately three-quarters of the period for retention of education increment has elapsed, and at the end of that same period, an audit shall be conducted for the final one-quarter period for retention of education increment, except that for the Milton Catamount/Husky district and the Burlington Waterfront district only a final audit shall be conducted to cover the period from the effective date of the rules pursuant to subdivision (j)(1) of this section to the end of the retention period.

(2) For municipalities with a district created after January 1, 2006 and approved by the Vermont Economic Progress Council, an audit shall be conducted ~~at the end of the 10 year period in which debt can be incurred and again approximately halfway through the 20 year period for retention of education increment; provided, however, that an audit shall occur no more than one time in a five year period~~ five years after the first debt is incurred and a second audit seven years after completion of the first audit. A final audit will be conducted at the end of the period for retention of education increment.

* * * Property Taxes * * *

Sec. 15. 32 V.S.A. § 3436(b) is amended to read:

(b) The ~~director~~ Director shall ~~determine~~ establish designations recognizing levels of achievement and the necessary course work or evaluation of equivalent experience required ~~for to attain each~~ to attain each designation as ~~Vermont lister/assessor, Vermont property evaluator, and Vermont municipal assessor.~~ Designation for any one level shall be for a period of three years.

Sec. 16. 32 V.S.A. § 5408(a) is amended to read:

(a) Not later than ~~30~~ 35 days after ~~the receipt by its clerk~~ mailing of a notice under section 5406 of this title, a municipality may petition the Director of the Division of Property Valuation and Review for a redetermination of the municipality's equalized education property value and coefficient of dispersion. Such petition shall be in writing and shall be signed by the chair of the legislative body of the municipality or its designee.

Sec. 17. 32 V.S.A. § 5410(g) is amended to read:

(g) If the property identified in a declaration under subsection (b) of this section is not the taxpayer's homestead, or if the owner of a homestead fails to declare a homestead as required under this section, the Commissioner shall notify the municipality, and the municipality shall issue a corrected tax bill that may, as determined by the governing body of the municipality, include a penalty of up to three percent of the education tax on the property. ~~If~~ However, if the property incorrectly declared as a homestead is located in a municipality that has a lower homestead tax rate than the nonresidential tax rate, ~~the penalty shall be an amount equal to eight percent of the education tax on the property, but if the homestead tax rate is higher than the nonresidential tax rate, the penalty shall be in an amount equal to three percent of the education tax on the property.~~ ~~If an undeclared homestead is located in a municipality that has a lower nonresidential tax rate than the homestead tax rate, the penalty shall be eight percent of the education tax liability on the property, but if the nonresidential tax rate is higher than the homestead tax rate, then the penalty shall be in an amount equal to three percent of the education tax on the property~~ or if an undeclared homestead is located in a municipality that has a lower nonresidential tax rate than the homestead tax rate, then the governing body of the municipality may include a penalty of up to eight percent of the education tax liability on the property. If the Commissioner determines that the declaration or failure to declare was with fraudulent intent, then the municipality shall assess the taxpayer a penalty in an amount equal to 100 percent of the education tax on the property; plus any interest and late-payment fee or commission which may be due. Any penalty imposed under this section and any additional property tax interest and late-payment fee or commission shall be assessed and collected by the municipality in the same manner as a property tax under chapter 133 of this title. Notwithstanding section 4772 of this title, issuance of a corrected bill issued under this section does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid current year taxes, interest or penalties and no past year delinquent taxes or penalties

and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

Sec. 18. 32 V.S.A. § 5410(i) is amended to read:

(i) An owner filing a new or corrected declaration, or rescinding an erroneous declaration, after ~~September 1~~ October 15 shall not be entitled to a refund resulting from the correct property classification; and any additional property tax and interest which would result from the correct classification shall not be assessed as tax and interest, but shall instead constitute an additional penalty, to be assessed and collected in the same manner as penalties under subsection (g) of this section. Any change in property classification under this subsection shall not be entered on the grand list.

Sec. 19. 32 V.S.A. § 6066a(f) is amended to read:

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Municipalities shall apply the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the November 1 notice sent by the Commissioner under subsection (a) of this section, issuance of such corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid current year taxes, interest or penalties and no past year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

(2) For property tax adjustment amounts for which municipalities receive notice ~~on or~~ after November 1, municipalities shall issue a new homestead property tax bill with notice to the taxpayer of the total amount allocated to payment of homestead property tax liabilities and notice of the balance due.

(3) The property tax adjustment amount determined for the taxpayer shall be allocated first to current-year property tax on the homestead parcel, next to current-year homestead parcel penalties and interest, next to any prior year homestead parcel penalties and interest, and last to any prior year property tax on the homestead parcel. No adjustment shall be allocated to a property tax liability for any year after the year for which the claim or refund allocation was

filed. No municipal tax-reduction incentive for early payment of taxes shall apply to any amount allocated to the property tax bill under this chapter.

(4) If the property tax adjustment amount as described in subsection (e) of this section exceeds the property tax, penalties, and interest, due for the current and all prior years, the municipality shall refund the excess to the taxpayer, without interest, within 20 days of the first date upon which taxes become due and payable or 20 days after notification of the adjustment amount by the Commissioner of Taxes, whichever is later.

* * * Meals and Rooms Tax * * *

Sec. 20. 32 V.S.A. § 9202(10)(D)(ii)(X) is amended to read:

(X) purchased with food stamps under the USDA Supplemental Nutrition Assistance Program (SNAP);

* * * Property Transfer Tax * * *

Sec. 21. 32 V.S.A. § 9608(a) is amended to read:

(a) Except as to transfers which are exempt pursuant to subdivision 9603(17) of this title, no town clerk shall record, or receive for recording, any deed to which is not attached a properly executed transfer tax return, complete and regular on its face, and a certificate in the form prescribed by the Natural Resources Board and the Commissioner of Taxes ~~signed under oath by the seller or the seller's legal representative,~~ that the conveyance of the real property and any development thereon by the seller is in compliance with or exempt from the provisions of 10 V.S.A. chapter 151. The certificate shall indicate whether or not the conveyance creates the partition or division of land. If the conveyance creates a partition or division of land, there shall be appended the current "Act 250 Disclosure Statement," required by 10 V.S.A. § 6007. A town clerk who violates this section shall be fined \$50.00 for the first such offense and \$100.00 for each subsequent offense. A person who purposely or knowingly falsifies any statement contained in the certificate required is punishable by fine of not more than \$500.00 or imprisonment for not more than one year, or both.

* * * Non-Education Financing Policy and Revenue Provisions * * *

* * * Tax on Distilled Spirits * * *

Sec. 22. 7 V.S.A. § 422 is amended to read:

§ 422. TAX ON SPIRITUOUS LIQUOR

(a) A tax is assessed on the gross revenue on the retail sale of spirituous liquor in the State of Vermont, including fortified wine, sold by the Liquor Control Board or sold by a manufacturer or rectifier of spirituous liquor in

accordance with the provisions of this title. The tax shall be at the following rates based on the gross revenue of the retail sales by the seller in the current year:

(1) if the gross revenue of the seller is ~~\$150,000.00~~ \$500,000.00 or lower, the rate of tax is five percent;

(2) if the gross revenue of the seller is between ~~\$150,000.00 and \$250,000.00~~, ~~the rate of tax is \$7,500.00 plus 15 percent of gross revenues over \$150,000.00~~ \$500,000.00 and \$750,000.00, the rate of the tax is \$25,000.00 plus 10 percent of the gross revenues over \$500,000.00;

(3) if the gross revenue of the seller is over ~~\$250,000.00~~ \$750,000.00, the rate of tax is 25 percent.

(b) The retail sales of spirituous liquor made by a manufacturer or rectifier at a fourth class or farmers' market license location shall be included in the gross revenue of a seller under this section, but only to the extent that the sales are of the manufacturer's or rectifier's own products, and not products purchased from other manufacturers and rectifiers.

* * * Employer Assessment * * *

Sec. 23. 21 V.S.A. § 2001 is amended to read:

§ 2001. PURPOSE

For the purpose of more equitably distributing the costs of health care to uninsured residents of this ~~state~~ State, an employers' health care fund contribution is established to provide a fair and reasonable method for sharing health care costs with employers who do not offer their employees health care coverage and employers who offer insurance but whose employees enroll in Medicaid.

Sec. 24. 21 V.S.A. § 2002 is amended to read:

§ 2002. DEFINITIONS

As used in this chapter:

* * *

(5) "Uncovered employee" means:

(A) an employee of an employer who does not offer to pay any part of the cost of health care coverage for its employees;

(B) an employee who is not eligible for health care coverage offered by an employer to any other employees; or

(C) an employee who is offered and is eligible for coverage by the employer but elects not to accept the coverage and ~~either~~:

(i) is enrolled in Medicaid;

(ii) has no other health care coverage under either a private or public plan except Medicaid; or

~~(ii)~~(iii) has purchased health insurance coverage as an individual through the Vermont Health Benefit Exchange.

* * *

Sec. 25. 21 V.S.A. § 2003(b) is amended to read:

(b) ~~For any quarter in fiscal years 2007 and 2008 the third and fourth quarters of calendar year 2014, the amount of the Health Care Fund contribution shall be \$91.25 \$133.30 for each full-time equivalent employee in excess of eight four. For each fiscal calendar year after fiscal year 2008, the number of excluded full-time equivalent employees shall be adjusted in accordance with subsection (a) of this section, and~~ calendar year 2014, the amount of the Health Care Fund contribution shall be adjusted by a percentage equal to any percentage change in premiums for the second lowest cost silver-level plan in the Vermont Health Benefit Exchange.

* * * Solar Capacity Tax * * *

Sec. 26. 32 V.S.A. § 3802(17) is amended to read:

(17) Real and personal property, except land, ~~composing a renewable energy plant generating electricity from solar power, to the extent the plant is exempt from taxation under chapter 215 of this title~~ which has a plant capacity of less than 50 kW and is either:

(A) operated on a net-metered system; or

(B) not connected to the electric grid and provides power only on the property on which the plant is located.

Sec. 27. 32 V.S.A. § 3481(1)(D) is added to read:

(D)(i) For real and personal property comprising a renewable energy plant generating electricity from solar power, except land and property that is exempt under subdivision 3802(17) of this title, the appraisal value shall be determined by an income capitalization or discounted cash flow approach that includes the following:

(I) an appraisal model identified and published by the Director employing appraisal industry standards and inputs;

(II) a discount rate determined and published annually by the Director;

(III) the appraisal value shall be 70 percent of the value calculated using the model published by the Director based on an expected 25-year project life and shall be set in the grand list next lodged after the plant is commissioned and each subsequent grand list for the lesser of the remaining life of the project or 25 years;

(IV) for the purposes of calculating appraisal value for net metered systems receiving a credit specified in 30 V.S.A. § 219a (h)(1)(k), the model used to calculate value will not incorporate a factor for electricity rate escalation; and

(V) for plants operating as a net-metered system as described in 30 V.S.A. § 219a with a capacity of 50 kW or greater, the plant capacity used to determine value in the model shall be reduced by 50 kW and the appraisal value shall be calculated only on additional capacity in excess of 50 kW.

(ii) The owner of a project shall respond to a request for information from the municipal assessing officials by returning the information sheet describing the project in the form specified by the Director not later than 45 days after the request for information is sent to the owner. If the owner does not provide a complete and timely response, the municipality shall determine the appraisal value using the published model and the best estimates of the inputs to the model available to the municipality at the time, and the provisions of section 4006 of this title shall apply to the information form in the same manner as if the information form were an inventory as described in that section. Nothing in this subdivision (1) shall affect the availability of the exemption set forth in the provisions of section 3845 of this title or availability of a contract under the provisions of 24 V.S.A. § 2741.

Sec. 28. 32 V.S.A. § 3845 is amended to read:

§ 3845. ALTERNATE RENEWABLE ENERGY SOURCES

(a) At an annual or special meeting warned for that purpose, a town may, by a majority vote of those present and voting, exempt alternate renewable energy sources, as defined herein, from real and personal property taxation. Such exemption shall first be applicable against the grand list of the year in which the vote is taken and shall continue until voted otherwise, in the same manner, by the town.

(b) ~~For the purposes of~~ As used in this section, alternate renewable energy sources ~~includes any plant, structure or facility used for the generation of electricity or production of~~ shall have the same meaning as in 30 V.S.A. § 8002(17) for energy used on the premises for private, domestic, or

agricultural purposes, no part of which may be for sale or exchange to the public. The term shall include, ~~but not be limited to~~ grist mills, windmills, facilities for the collection of solar energy or the conversion of organic matter to methane, ~~net metering~~ net-metering systems regulated by the Public Service Board under 30 V.S.A. § 219a, and all component parts thereof ~~including, but excluding~~ land upon which the facility is located, ~~not to exceed one-half acre.~~

Sec. 29. 32 V.S.A. § 8701(c) is amended to read:

(c) A renewable energy plant that generates electricity from solar power shall be exempt from taxation under this section if it has a plant capacity ~~equal to or less than 10 kW~~ less than 50kW.

Sec. 30. 2012 Acts and Resolves No. 127, Sec. 4 is amended to read:

Sec. 4. ~~PROSPECTIVE REPEAL;~~ REPORT

~~32 V.S.A. §§ 8701(c) and 3802(17) (exemptions for small renewable energy plants) shall be repealed on January 1, 2023. By January 15, 2021, the department of taxes~~ Department of Taxes shall report to the ~~senate committees on finance and on natural resources and energy and the house committees on ways and means and on natural resources and energy~~ Senate Committees on Finance and on Natural Resources and Energy and the House Committees on Ways and Means and on Natural Resources and Energy with a recommendation on whether the exemptions in 32 V.S.A. §§ 8701(c) and 3802(17) should be retained or allowed to be repealed and whether the rate of tax in 32 V.S.A. § 8701(b) should be altered.

* * * Taxpayer Delinquencies * * *

Sec. 31. 32 V.S.A. § 3102(m) is added to read:

(m) Notwithstanding any other provision of law, the Commissioner may publish the names, addresses, and amounts of tax liability for the 100 individual taxpayers and 100 business taxpayers with the greatest unresolved tax liability under this title. The Commissioner shall send a notice of intent to publish a taxpayer's name, tax liability, and address to the taxpayer before publication. A taxpayer's information may only be published pursuant to this subsection if he or she has been delinquent for more than 90 days after the end of any applicable administrative appeal periods.

* * * Valuation of Natural Gas and Petroleum Infrastructure * * *

Sec. 32. 32 V.S.A. § 3621 is added to read:

§ 3621. PETROLEUM AND NATURAL GAS INFRASTRUCTURE

For purposes of the statewide education property tax in chapter 135 of this title, the Director shall determine the appraised value of all property and

fixtures composing and underlying a petroleum or natural gas facility, petroleum or natural gas transmission line, or petroleum or natural gas distribution line located entirely within this State. The Director shall value such property at its fair market value, an assessment it shall reach by the cost approach to value by employing an actual cost-based methodology, adjusting that actual cost using a cost factor from industry-specific inflation indexes, and depreciating the resulting present cost using a depreciation schedule based on the property's estimated remaining life; provided, however, that after the property has been depreciated to 30 percent of its present cost or less, exclusive of salvage value, the property shall be appraised at 30 percent of its cost. The Director shall inform the local assessing officials of his or her appraised value under this section on or before May 1 of each year, and the local assessing officials shall use the Director's appraised value for purposes of assessing and collecting the statewide education property tax under chapter 135 of this title.

* * * Income Taxes * * *

Sec. 33. 32 V.S.A. § 5870 is amended to read:

§ 5870. REPORTING USE TAX ON INDIVIDUAL INCOME TAX RETURNS

The Commissioner of Taxes shall provide that individuals report use tax on their State individual income tax returns. Taxpayers are required to attest to the amount of their use tax liability under chapter 233 of this title for the period of the tax return. Alternatively, they may elect to report an amount that is ~~0-08~~ 0.10 percent of their Vermont adjusted gross income, as shown on a table published by the Commissioner of Taxes; and use tax liability arising from the purchase of each item with a purchase price in excess of \$1,000.00 shall be added to the table amount.

* * * Wood Products Manufacturer's Study * * *

Sec. 34. WOOD PRODUCT MANUFACTURE STUDY

The Secretary of Commerce and Community Development, in consultation with the Department of Taxes, shall study and recommend economic and tax incentives to ensure wood products manufacturers remain in Vermont, and that they thrive in Vermont. The Secretary shall report his or her findings and recommendations to the Senate Committee on Finance and the House Committee on Ways and Means on or before January 15, 2015.

* * * Downtown and Village Center Tax Credits * * *

Sec. 35. 32 V.S.A. § 5930ee(1) is amended to read:

(1) The total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$1,700,000.00~~ \$2,200,000.00.

Sec. 36. 32 V.S.A. § 9741(39) is amended to read:

(39) Sales of building materials within any three consecutive years:

(i) in excess of one million dollars in purchase value, which may be reduced to \$250,000.00 in purchase value upon approval of the Vermont Economic Progress Council pursuant to section 5930a of this title, used in the construction, renovation, or expansion of facilities which are used exclusively, except for isolated or occasional uses, for the manufacture of tangible personal property for sale; ~~or~~

~~(ii) in excess of \$250,000.00 in purchase value incorporated into a downtown redevelopment project as defined by rule by the Commissioner of Housing and Community Affairs; provided that the municipality is not receiving an allocation of sales tax receipts pursuant to section 9819 of this title.~~

* * *

* * * Research and Development Expense * * *

Sec. 37. 32 V.S.A. § 5930ii is amended to read:

§ 5930ii. RESEARCH AND DEVELOPMENT TAX CREDIT

(a) A taxpayer of this State shall be eligible for a credit against the tax imposed under this chapter in an amount equal to ~~30~~ 27 percent of the amount of the federal tax credit allowed in the taxable year for eligible research and development expenditures under 26 U.S.C. § 41(a) and which are made within this State.

(b) Any unused credit available under subsection (a) of this section may be carried forward for up to 10 years.

(c) Each year, on or before January 15, the Department of Taxes shall publish a list containing the names of the taxpayers who have claimed a credit under this section during the most recent completed calendar year.

* * * Tobacco * * *

Sec. 38. 32 V.S.A. § 7771(d) is amended to read:

(d) The tax imposed under this section shall be at the rate of ~~134~~ 137.5 mills per cigarette or little cigar and for each 0.0325 ounces of roll-your-own tobacco. The interest and penalty provisions of section 3202 of this title shall apply to liabilities under this section.

Sec. 39. 32 V.S.A. § 7811 is amended to read:

§ 7811. IMPOSITION OF TOBACCO PRODUCTS TAX

There is hereby imposed and shall be paid a tax on all other tobacco products, snuff, and new smokeless tobacco possessed in the State of Vermont by any person for sale on and after July 1, 1959 which were imported into the State or manufactured in the State after that date, except that no tax shall be imposed on tobacco products sold under such circumstances that this State is without power to impose such tax, or sold to the United States, or sold to or by a voluntary unincorporated organization of the Armed Forces of the United States operating a place for the sale of goods pursuant to regulations promulgated by the appropriate executive agency of the United States. The tax is intended to be imposed only once upon the wholesale sale of any other tobacco product and shall be at the rate of 92 percent of the wholesale price for all tobacco products except snuff, which shall be taxed at ~~\$1.87~~ \$2.29 per ounce, or fractional part thereof, new smokeless tobacco, which shall be taxed at the greater of ~~\$1.87~~ \$2.29 per ounce or, if packaged for sale to a consumer in a package that contains less than 1.2 ounces of the new smokeless tobacco, at the rate of ~~\$2.24~~ \$2.75 per package, and cigars with a wholesale price greater than \$2.17, which shall be taxed at the rate of \$2.00 per cigar if the wholesale price of the cigar is greater than \$2.17 and less than \$10.00, and at the rate of \$4.00 per cigar if the wholesale price of the cigar is \$10.00 or more. Provided, however, that upon payment of the tax within 10 days, the distributor or dealer may deduct from the tax two percent of the tax due. It shall be presumed that all other tobacco products, snuff, and new smokeless tobacco within the State are subject to tax until the contrary is established and the burden of proof that any other tobacco products, snuff, and new smokeless tobacco are not taxable hereunder shall be upon the person in possession thereof. Licensed wholesalers of other tobacco products, snuff, and new smokeless tobacco shall state on the invoice whether the price includes the Vermont tobacco products tax.

Sec. 40. 32 V.S.A. § 7814 is amended to read:

§ 7814. FLOOR STOCK TAX

(a) Snuff. A floor stock tax is hereby imposed upon every ~~retailer~~ retail dealer of snuff in this State in the amount by which the new tax exceeds the amount of the tax already paid on the snuff. The tax shall apply to snuff in the possession or control of the ~~retailer~~ retail dealer at 12:01 a.m. ~~on~~ on July 1, ~~2006~~ 2014, but shall not apply to ~~retailers~~ retail dealers who hold less than \$500.00 in wholesale value of such snuff. Each ~~retailer~~ retail dealer subject to the tax shall, on or before July 25, ~~2006~~ 2014, file a report to the Commissioner in such form as the Commissioner may prescribe showing the snuff on hand at 12:01 a.m. ~~on~~ on July 1, ~~2006~~ 2014, and the amount of tax due thereon. The tax imposed by this section shall be due and payable on or before August 25, ~~2006~~ 2014, and thereafter shall bear interest at the rate established under section 3108 of this title. In case of timely payment of the tax, the ~~retailer~~ retail dealer may deduct from the tax due two percent of the tax. Any snuff with respect to which a floor stock tax has been imposed and paid under this section shall not again be subject to tax under section 7811 of this title.

(b) Cigarettes, little cigars, or roll-your-own tobacco. Notwithstanding the prohibition against further tax on stamped cigarettes, little cigars, or roll-your-own tobacco under section 7771 of this title, a floor stock tax is hereby imposed upon every dealer of cigarettes, little cigars, or roll-your-own tobacco in this State who is either a wholesaler, or a retailer who at 12:01 a.m. on July 1, ~~2011~~ 2014, has more than 10,000 cigarettes or little cigars or who has \$500.00 or more of wholesale value of roll-your-own tobacco, for retail sale in his or her possession or control. The amount of the tax shall be the amount by which the new tax exceeds the amount of the tax already paid for each cigarette, little cigar, or roll-your-own tobacco in the possession or control of the wholesaler or ~~retailer~~ retail dealer at 12:01 a.m. on July 1, ~~2011~~ 2014, and on which cigarette stamps have been affixed before July 1, ~~2011~~ 2014. A floor stock tax is also imposed on each Vermont cigarette stamp in the possession or control of the wholesaler at 12:01 a.m. on July 1, ~~2011~~ 2014, and not yet affixed to a cigarette package, and the tax shall be at the rate of ~~\$0.38~~ \$0.13 per stamp. Each wholesaler and ~~retailer~~ retail dealer subject to the tax shall, on or before July 25, ~~2011~~ 2014, file a report to the Commissioner in such form as the Commissioner may prescribe showing the cigarettes, little cigars, or roll-your-own tobacco and stamps on hand at 12:01 a.m. on July 1, ~~2011~~ 2014, and the amount of tax due thereon. The tax imposed by this section shall be due and payable on or before July 25, ~~2011~~ 2014, and thereafter shall bear interest at the rate established under section 3108 of this title. In case of timely payment of the tax, the wholesaler or ~~retailer~~ retail

dealer may deduct from the tax due two and three-tenths of one percent of the tax. Any cigarettes, little cigars, or roll-your-own tobacco with respect to which a floor stock tax has been imposed under this section shall not again be subject to tax under section 7771 of this title.

* * * Sales and Use Tax – Contractors * * *

Sec. 41. 32 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

Unless the context in which they occur requires otherwise, the following terms when used in this chapter mean:

* * *

(5) Retail sale or sold at retail: means any sale, lease, or rental for any purpose other than for resale, sublease, or subrent, including sales to contractors, subcontractors, or repair persons of materials and supplies for use by them in erecting structures or otherwise improving, altering, or repairing real property.

Sec. 42. 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:

(1) Tangible personal property, including property used to improve, alter or repair the real property of others by a manufacturer or any person who is primarily engaged in the business of making retail sales of tangible personal property.

* * *

Sec. 43. 32 V.S.A. § 9745 is amended to read:

§ 9745. CERTIFICATE OR AFFIDAVIT OF EXEMPTION; DIRECT PAYMENT PERMIT

(a) Certificate or affidavit of exemption. The Commissioner may require that a vendor obtain an exemption certificate, which may be an electronic filing, with respect to the following sales: sales for resale; sales to organizations that are exempt under section 9743 of this title; and sales that qualify for a use-based exemption under section 9741 of this title. Acceptance of an exemption certificate containing such information as the Commissioner may prescribe shall satisfy the vendor's burden under subsection 9813(a) of

this title of proving that the transaction is not taxable. A vendor's failure to possess an exemption certificate at the time of sale shall be presumptive evidence that the sale is taxable.

(b) Direct payment permit. The Commissioner may, in his or her discretion, authorize a purchaser, who acquires tangible personal property or services under circumstances which make it impossible at the time of acquisition to determine the manner in which the tangible personal property or services will be used, to pay the tax directly to the Commissioner and waive the collection of the tax by the vendor through the issuance of a direct payment permit. ~~The Commissioner shall authorize any~~ Any contractor, subcontractor, or repairman who acquires tangible personal property consisting of materials and supplies for use by him or her in erecting structures for others, or building on, or otherwise improving, altering, or repairing real property of others, may apply for a direct payment permit to pay the tax directly to the Commissioner and waive the collection of the tax by the vendor. No such authority shall be granted or exercised except upon application to the Commissioner and the issuance by the Commissioner of a direct payment permit. If a direct payment permit is granted, its use shall be subject to conditions specified by the Commissioner and the payment of tax on all acquisitions pursuant to the permit shall be made directly to the Commissioner by the permit holder.

* * * Sales and Use Tax – Compost * * *

Sec. 44. 32 V.S.A. § 9701(48)–(52) are added to read:

(48) Compost: means a stable humus-like material produced by the controlled biological decomposition of organic matter through active management, but does not mean sewage, septage, or materials derived from sewage or septage.

(49) Manipulated animal manure: means manure that is ground, pelletized, mechanically dried, or consists of separated solids.

(50) Perlite: means a lightweight granular material made of volcanic material expanded by heat treatment for use in growing media.

(51) Planting mix: means material that is:

(A) used in the production of plants; and

(B) made substantially from compost, peat moss, or coir and other ingredients that contribute to fertility and porosity, including perlite, vermiculite, and other similar materials.

(52) Vermiculite: means a lightweight mica product expanded by heat treatment for use in growing media.

Sec. 45. 32 V.S.A. § 9706(jj) is added to read:

(jj) The statutory purpose of the exemptions for composting materials, compost, animal manure, manipulated animal manure, and planting mix in 32 V.S.A. § 9741(49) and (50) is to support the composting industry, and to further the goals of 2012 Acts and Resolves No. 148.

Sec. 46. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(49) Clean high carbon bulking agents, as that term is used in the Agency of Natural Resources' Solid Waste Management Rules, used for commercial or on-farm composting, and food residuals used for commercial or on-farm composting or on-farm energy production;

(50) Compost, animal manure, manipulated animal manure, and planting mix when any of these items are sold in bulk. As used in this subsection, the term "sold in bulk" shall mean sold in a form that is not prepackaged, or sold in a packaged form in volumes greater than one cubic yard.

* * * Use Tax – Telecommunication Services * * *

Sec. 47. 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:

(1) ~~Of~~ of any tangible personal property purchased at retail;

(2) ~~Of~~ of any tangible personal property manufactured, processed, or assembled by the user, if items of the same kind of tangible personal property are offered for sale by him or her in the regular course of business, but the mere storage, keeping, retention, or withdrawal from storage of tangible personal property or the use for demonstrational or instructional purposes of tangible personal property by the person who manufactured, processed or assembled such property shall not be deemed a taxable use by him or her; and for purposes of this section only, the sale of electrical power generated by the taxpayer shall not be considered a sale by him or her in the regular course of business if at least 60 percent of the electrical power generated annually by the taxpayer is used by the taxpayer in his or her trade or business;

(3) ~~Of~~ any tangible personal property, however acquired, where not acquired for purposes of resale, upon which any taxable services described in subdivision 9771(3) of this title have been performed; and

(4) ~~Specified~~ 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.

* * * Propane Canisters * * *

Sec. 48. 33 V.S.A. § 2503 is amended to read:

§ 2503. FUEL GROSS RECEIPTS TAX

(a) There is imposed a gross receipts tax of 0.5 percent on the retail sale of the following types of fuel:

(1) heating oil, propane, kerosene, and other dyed diesel fuel delivered to a residence or business;

(2) ~~propane~~;

(~~3~~) natural gas;

(~~4~~)(3) electricity;

(~~5~~)(4) coal.

* * *

Sec. 49. 32 V.S.A. § 9741(26) is amended to read:

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-standing containers, or sold as part of a transaction where a free-standing container is exchanged without a separate charge. The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use.

* * * Statewide Education Property Tax Rates, Base Education Amount, and Applicable Percentage * * *

Sec. 50. FISCAL YEAR 2015 EDUCATION PROPERTY TAX RATES AND APPLICABLE PERCENTAGE

(a) For fiscal year 2015 only, the education property tax imposed under 32 V.S.A. § 5402(a) shall be reduced from the rates of \$1.59 and \$1.10 and shall instead be at the following rates:

(1) the tax rate for nonresidential property shall be \$1.515 per \$100.00; and

(2) the tax rate for homestead property shall be \$0.98 multiplied by the district spending adjustment for the municipality per \$100.00 of equalized property value as most recently determined under 32 V.S.A. § 5405.

(b) For claims filed in 2014 only, “applicable percentage” in 32 V.S.A. § 6066(a)(2) shall be reduced from 2.0 percent and instead shall be 1.80 percent multiplied by the fiscal year 2015 district spending adjustment for the municipality in which the homestead residence is located; but in no event shall the applicable percentage be less than 1.80 percent.

Sec. 51. FISCAL YEAR 2015 BASE EDUCATION AMOUNT

As provided in 16 V.S.A. § 4011(b), the base education amount for fiscal year 2015 shall be \$9,285.00.

* * * Applicable Percentage * * *

Sec. 52. 32 V.S.A. § 5402b(b) is amended to read:

(b) If the Commissioner makes a recommendation to the General Assembly to adjust the education tax rates under section 5402 of this title, the Commissioner shall also recommend a proportional adjustment to the applicable percentage base for homestead income based adjustments under section 6066 of this title, but the applicable percentage base shall not be adjusted below ~~1.8~~ 1.94 percent.

* * * Increase in Average Daily Membership * * *

Sec. 53. 16 V.S.A. § 4010(b) is amended to read:

(b) ~~The commissioner~~ Secretary shall determine the long-term membership for each school district for each student group described in subsection (a) of this section. ~~The commissioner~~ Secretary shall use the actual average daily membership over two consecutive years, the latter of which is the current school year. ~~If, however, in one year, the actual average daily membership of kindergarten through 12th grade increases by at least 20 students over the previous year, the commissioner shall compute the long term membership by adding 80 percent of the actual increase, to a maximum increase of 45 equalized pupils.~~

* * * Shared Equity * * *

Sec. 54. 32 V.S.A. § 3481 is amended to read:

§ 3481. DEFINITIONS

The following definitions shall apply in this Part and chapter 101 of this title, pertaining to the listing of property for taxation:

(1)(A) “Appraisal value” shall mean, with respect to property enrolled in a use value appraisal program, the use value appraisal as defined in subdivision 3752(12) of this title, multiplied by the common level of appraisal, and with respect to all other property, except for owner-occupied housing identified in subdivision (C) of this subdivision (1), the estimated fair market value. The estimated fair market value of a property is the price ~~which~~ that the property will bring in the market when offered for sale and purchased by another, taking into consideration all the elements of the availability of the property, its use both potential and prospective, any functional deficiencies, and all other elements such as age and condition which combine to give property a market value. Those elements shall include ~~a consideration of a decrease in value in nonrental residential property due to a housing subsidy covenant as defined in 27 V.S.A. § 610, or~~ the effect of any state State or local law or regulation affecting the use of land, including 10 V.S.A. chapter 151 or any land capability plan established in furtherance or implementation thereof, rules adopted by the State Board of Health and any local or regional zoning ordinances or development plans. In determining estimated fair market value, the sale price of the property in question is one element to consider, but is not solely determinative.

* * *

(C) For owner-occupied housing that is subject to a housing subsidy covenant, as defined in 27 V.S.A. § 610, imposed by a governmental, quasi-governmental, or public purpose entity, that limits the price for which the property may be sold, the housing subsidy covenant shall be deemed to cause a material decrease in the value of the owner-occupied housing, and the appraisal value means not less than 60 and not more than 70 percent of what the fair market value of the property would be if it were not subject to the housing subsidy covenant. Every five years, starting in 2019, the Commissioner of Taxes, in consultation with the Vermont Housing Conservation Board, shall report to the General Assembly on whether the percentage of appraised valued used in this subdivision should be altered, and the reasons for his or her determination.

(2) “Listed value” shall be an amount equal to 100 percent of the appraisal value. The ratio shall be the same for both real and personal property.

* * * Property Tax Exemptions * * *

Sec. 55. 32 V.S.A. § 3832(7) is amended to read:

(7) Real and personal property of an organization when the property is used primarily for health or recreational purposes, unless the town or

municipality in which the property is located so votes at any regular or special meeting duly warned therefor, and except for the following types of property:

(A) buildings and land owned and occupied by a health, recreation, and fitness organization which is:

(i) exempt from taxation under 26 U.S.C. § 501(c)(3),

(ii) used its income entirely for its exempt purpose, and

(iii) promotes exercise and healthy lifestyles for the community and serve citizens of all income levels;

(B) real and personal property operated as a skating rink, owned and operated on a nonprofit basis, but not necessarily by the same entity, and which, in the most recent calendar year, provided facilities to local public schools for a sport officially recognized by the Vermont Principals' Association.

Sec. 56. 32 V.S.A. § 3839 is added to read:

§ 3839. MUNICIPALLY OWNED LAKESHORE PROPERTY

(a) Notwithstanding section 3659 of this title, a town may vote to exempt from its municipal taxes, in whole or in part, any parcel of land, but not buildings, that provides public access to public waters, as defined in 10 V.S.A. § 1422(6), and that is also:

(1) owned by the Town of Hardwick, and located in Greensboro, Vermont; or

(2) owned by the Town of Thetford, and located in Fairlee and West Fairlee, Vermont.

(b) An exemption voted by a town under subsection (a) of this section shall be for up to ten years. Upon the expiration of the exemption, a town may vote additional periods of exemption not exceeding five years each.

Sec. 57. 32 V.S.A. § 5401(10)(K) is added to read:

(K) Any parcel of land, but not buildings, that provides public access to public waters, as defined in 10 V.S.A. § 1422(6), and that is also:

(i) owned by the Town of Hardwick, and located in Greensboro, Vermont; or

(ii) owned by the Town of Thetford, and located in Fairlee and West Fairlee, Vermont.

* * * Occupancy of a Homestead * * *

Sec. 58. 32 V.S.A. § 5401(7) is amended to read:

(7) “Homestead”:

(A) “Homestead” means the principal dwelling and parcel of land surrounding the dwelling, owned ~~and occupied~~ by a resident individual on April 1 and occupied as the individual’s domicile for a minimum of 183 days out of the calendar year, or for purposes of the renter property tax adjustment under subsection 6066(b) of this title, rented and occupied by a resident individual as the individual’s domicile.

* * *

(H) A homestead does not include any portion of a dwelling that is rented and a dwelling is not a homestead for any portion of the year in which it is rented.

* * *

* * * Excess Spending Anchor * * *

Sec. 59. 32 V.S.A. § 5401(12) is amended to read:

(12) “Excess spending” means:

(A) the per-equalized-pupil amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a Capital Construction Reserve Fund under 24 V.S.A. § 2804(b);

(B) in excess of 123 percent of the statewide average district education spending per equalized pupil ~~in the prior fiscal year~~ increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, “increased by inflation” means increasing the statewide average district education spending per equalized pupil for fiscal year 2014 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2014 through the fiscal year for which the amount is being determined.

Sec. 60. 2013 Acts and Resolves No. 60, Sec. 2 is amended to read:

Sec. 2. 32 V.S.A. § 5401(12) is amended to read:

(12) “Excess spending” means:

(A) the per-equalized-pupil amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a Capital Construction Reserve Fund under 24 V.S.A. § 2804(b);

(B) in excess of ~~123~~ 121 percent of the statewide average district education spending per equalized pupil increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision, "increased by inflation" means increasing the statewide average district education spending per equalized pupil for fiscal year 2014 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2014 through the fiscal year for which the amount is being determined.

* * * Electrical Generating Plants * * *

Sec. 61. 32 V.S.A. § 5402(d) is amended to read:

(d) A municipality which has upon its grand list an operating electric generating plant subject to the tax under ~~section 5402a of this chapter~~ chapter 213 of this title shall be subject to the nonresidential education property tax at three-quarters of the rate provided in subdivision (a)(1) of this section, as adjusted under section 5402b of this chapter; and shall be subject to the homestead education property tax at three-quarters of the base rate provided in subdivision (a)(2) of this section, as adjusted under section 5402b of this chapter, and multiplied by its district spending adjustment.

Sec. 62. EDUCATION TAXES IN VERNON

Notwithstanding any other provision of law, for the purposes of 32 V.S.A. § 5402(d), the town of Vernon shall continue to be treated as if its grand list included an operating electric generating plant subject to the tax under 32 V.S.A. chapter 213 until the end of fiscal year 2018, and shall be taxed as follows:

(1) for fiscal year 2017, the town of Vernon shall be subject to the nonresidential education property tax and the homestead education property tax at 83 percent of the rate as calculated under 32 V.S.A. § 5402(a);

(2) for fiscal year 2018, the town of Vernon shall be subject to the nonresidential education property tax and the homestead education property tax at 91 percent of the rate as calculated under 32 V.S.A. § 5402(a); and

(3) for fiscal year 2019 and after, the town of Vernon shall be subject to the nonresidential education property tax and the homestead education property tax at 100 percent of the rate as calculated under 32 V.S.A. § 5402(a).

* * * Renter Rebate * * *

Sec. 63. RENTER REBATE REPORT

The Vermont Housing Council, with the assistance of the Department of Taxes, the Joint Fiscal Office, and the Agency of Commerce and Community Development, shall report to the Senate Committee on Finance and House Committee on Ways and Means with recommendations on how to develop programs to assist renters in lieu of the current renter rebate program at 32 V.S.A. § 6066(b), as well as recommendations to make the existing program more effective. Proposals shall address how best to deliver property tax relief to low income renters. For purposes of the report, the Vermont Housing Council shall be joined by a representative from the Vermont Low Income Advocacy Council, the Vermont Community Action Directors' Association, and the Vermont Affordable Housing Coalition. The report shall consider the current benefits to renters from the renter rebate program, and propose alternative programs that also benefit low-income renters. Any alternative proposals shall have approximately the same eligibility parameters as the current renter rebate program, shall be structured to deliver comparable results, and shall take into account the portion of rent paid by renters that is attributable to property taxes. The report shall be due on or before January 15, 2015.

* * * Income Sensitivity Slope; Housesite Value * * *

Sec. 64. 32 V.S.A. § 6066(a) is amended to read:

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

(1)(A) For a claimant with household income of \$90,000.00 or more:

(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;

(ii) minus (if less) the sum of:

(I) the applicable percentage of household income for the taxable year; plus

(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$200,000.00~~ \$250,000.00.

* * *

Sec. 65. TAX APPEALS REPORT

The Department of Taxes, the Vermont League of Cities and Towns, and the Vermont Assessors and Listers Association shall jointly analyze and report to the General Assembly, on or before January 15, 2015, on the following issues:

(1) the process by which towns are compensated for a reduction in listed value under 32 V.S.A. § 5412, with suggestions about how to make that process more equitable to towns; and

(2) the current costs to towns of defending property tax valuations that benefit the Education Fund, with suggestions for making the defense of property tax valuations more equitable to towns.

Sec. 66. APPROPRIATION TO EDUCATION FUND

There shall be transferred from the Supplemental Property Tax Relief Fund a sum of \$3,000,000.00 to the Education Fund.

Sec. 67. TUITION REPORT

(a) The Agency of Education shall report to the General Assembly on the current system of setting, paying, and receiving school tuition in Vermont. The report shall be submitted to the General Assembly on or before January 15, 2015.

(b) The report shall review:

(1) the historic practices of Vermont school districts in paying tuition to other schools;

(2) the current law and practices for establishing tuition rates, including how tuition is paid to different categories of schools inside Vermont and outside Vermont, and how Vermont schools set, receive, and use tuition from schools outside the State.

(c) The report shall examine the following issues:

(1) the impact, if any, of tuition rates and practices on the Education Fund;

(2) any effects that would result from establishing a uniform tuition rate to be paid for different categories of schools, both within and outside Vermont;

(3) the impact, if any, of tuition payments on the number of students enrolled in Vermont schools.

Sec. 68. 16 V.S.A. § 4028(d) is added to read:

(d) Notwithstanding 32 V.S.A. § 502(b)(2), the Joint Fiscal Office shall prepare a fiscal note for any legislation that requires a supervisory union or school district to perform any action with an associated cost, but does not provide money or a funding mechanism for fulfilling that obligation. Any fiscal note prepared under this subsection shall be completed no later than the date that the legislation is considered for a vote in the first committee to which it is referred.

* * * Repeal * * *

Sec. 69. REPEAL

32 V.S.A. § 3802(18) (municipally owned lakeshore property) is repealed on January 1, 2015.

* * * Effective Dates * * *

Sec. 70. EFFECTIVE DATES

This act shall take effect on passage except:

(1) Secs. 1 (filing requirement), 2 (consolidated returns), and 4 (VEGI) shall take effect retroactively to January 1, 2014 and apply for tax year 2014 and after.

(2) Sec. 3 (Vermont Green Up) shall take effect on January 1, 2015 and apply to returns filed after that date.

(3) Sec. 5 (annual income tax update) shall take effect retroactively to January 1, 2014 and apply to taxable years beginning on and after January 1, 2013.

(4) Sec. 6 (annual estate tax update) shall take effect retroactively to January 1, 2014 and apply to decedents dying on or after January 1, 2013.

(5) Secs. 17 (corrected tax bills due to late filing of declaration), 18 (last date for filing declaration), and 19 (corrected tax bills due to late filing of property tax adjustment claim) shall take effect on July 1, 2014 and apply to property appearing on grand lists lodged in 2014 and after.

(6) Sec. 22 (distilled spirits) shall take effect on July 1, 2014.

(7) Secs. 23–25 (employer assessment) shall take effect on July 1, 2014 and shall apply beginning with the calculation of the Health Care Fund contributions payable in the second quarter of fiscal year 2015, which shall be based on the number of an employer's uncovered employees in the first quarter of fiscal year 2015.

(8) Secs. 26–29 (solar plant exemptions and valuation) and 32 (valuation of natural gas and petroleum infrastructure) shall take effect on January 1, 2015 and apply to property appearing on grand lists lodged in 2015 and after.

(9) Sec. 33 (use tax reporting) shall take effect on January 1, 2015 and apply to tax year 2014 returns and after.

(10) Sec. 35 (downtown credits) shall apply to fiscal year 2015 and after.

(11) Secs. 36 (repeal of sales tax exemption), 38 (cigarettes), 39 (snuff), 40 (floor tax), 41 (definition of sales), 42 (contractors), 43 (certificates of exemption), 44 (definitions), 46 (compost), 47 (telecommunications use tax), 48 (fuel gross receipts tax), and 49 (propane canisters) shall take effect on July 1, 2014.

(12) Sec. 37 (research and development) shall take effect retroactively on January 1, 2014, and shall apply to any claims for credits filed after that date.

(14) Secs. 50 (statewide education tax base rates) and 51 (base education amount) shall take effect on passage and apply to education property tax rates and the base education amount for fiscal year 2015.

(15) Sec. 52 (applicable percentage) shall take effect on July 1, 2014 and apply to the Commissioner’s recommendations beginning for fiscal year 2016.

(16) Sec. 53 (increased average daily membership) shall take effect on July 1, 2014 and shall apply to long-term membership calculations for fiscal year 2016 and after.

(17) Secs. 54 (shared equity housing), 55 (health and recreation property), 56 (town voted exemption), and 57 (education property tax exemption) shall take effect on January 1, 2015 and apply to property appearing on grand lists lodged in 2015 and after.

(18) Sec. 58 (occupancy of a homestead) shall take effect on January 1, 2015 and apply to homestead declarations for 2015 and after.

(19) Secs. 59 and 60 (anchoring excess spending) shall take effect on July 1, 2014 and apply to property tax calculations for fiscal year 2016 and after.

(20) Sec. 64 (housesite value) shall take effect on January 1, 2016 and apply to claims filed after that date for fiscal year 2017 and after.

TIMOTHY R. ASHE

KEVIN J. MULLIN

Committee on the part of the Senate

JANET ANCEL

DAVID D. SHARPE

WILLIAM F. JOHNSON

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 25, Nays 4.

Senator McAllister having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Baruth, Bray, Campbell, Collins, Cummings, Doyle, French, Galbraith, Hartwell, Kitchel, Lyons, Mazza, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Snelling, Starr, Westman, White.

Those Senators who voted in the negative were: Benning, Flory, MacDonald, McAllister.

The Senator absent and not voting was: Zuckerman.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 790, H. 884.

Rules Suspended; Bill Delivered

On motion of Senator Baruth, the rules were suspended, and the following bill was ordered delivered to the Governor forthwith:

S. 299.

Recess

On motion of Senator Baruth the Senate recessed until 3:30 P.M.

Afternoon

The Senate was called to order by the President.

Message from the House No. 86

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

S. 220. An act relating to furthering economic development.

And has adopted the same on its part.

Consideration Resumed; Joint Resolution Referred**J.R.S. 59.**

Consideration was resumed on joint Senate resolution entitled:

Joint resolution relating to final adjournment of the General Assembly in 2014.

Thereupon, the pending question, Shall the joint resolution be referred to the Committee on Rules?, was decided in the affirmative

Joint Senate Resolution Adopted on the Part of the Senate

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Campbell,

J.R.S. 60. Joint resolution relating to final adjournment of the General Assembly in 2014.

Resolved by the Senate and House of Representatives

That the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses *sine die* on the tenth day of May, 2014.

Rules Suspended; Bill Amended; Third Reading Ordered; Rules Suspended; Bill Passed; Bill Messaged**H. 227.**

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to licensing and regulating property inspectors.

Was taken up for immediate consideration.

Senator French, for the Committee on Government Operations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill as follows:

In Sec. 2 (adding 26 V.S.A. chapter 19), in 26 V.S.A. § 1052 (definitions), by striking out subdivision (3) (definition of “practice of property inspecting”) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) “Practice of property inspecting” means performing or offering to perform for the public for a fee or other compensation services involving the physical inspection of real property structures and other improvements in order to evaluate the condition of the property, including any safety issues or material defects.

And that when so amended the bill ought to pass.

Senator Galbraith, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the bill was ordered.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence with proposal of amendment forthwith.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered messaged to the House forthwith.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate; Bill Delivered**

S. 220.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to furthering economic development.

Was taken up for immediate consideration.

Senator Mullin, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

S. 220. An act relating to furthering economic development.

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

* * * One-Stop Business Support Services * * *

Sec. 1. ONE-STOP SHOP WEB PORTAL

(a) Purpose. The State of Vermont seeks to simplify and expedite the process for business creation and growth by providing:

(1) a clear guide to resources and technical assistance for all phases of business development;

(2) a directory of financial assistance, including grants, funding capital, tax credits, and incentives;

(3) a directory of workforce development assistance, including recruiting, job postings, and training;

(4) a link to centralized business services available from the Secretary of State, the Department of Labor, the Department of Taxes, and others; and

(5) agency contacts and links for available services and resources.

(b) Administration. On or before June 30, 2015, the Secretary of State, the Department of Taxes, the Department of Labor, the Vermont Attorney General, the Agency of Commerce and Community Development, and the Agency of Administration shall coordinate with other relevant agencies and departments within State government and outside partners, including regional development corporations, regional planning commissions, and small business development centers, to provide comprehensive business services, regional coaching teams, print materials, other outreach, and a "One-Stop Shop" website.

(c) On or before January 15, 2015, the Secretary of State and partners shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development to inform the committees of the status of the project and a timeline for its completion.

Secs. 2–3. RESERVED

* * * Vermont Economic Development Authority * * *

Sec. 4. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending Program

§ 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based businesses in seed, start-up, and growth stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology-based companies~~ sometimes Vermont-based businesses in seed, start-up, and growth stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently ~~do~~ may not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of ~~technology-based companies~~ Vermont-based businesses in seed, start-up, and growth stages and the resultant creation of high-wage higher wage employment in Vermont, ~~a technology loan program is established under this subchapter~~ the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program.

§ 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created ~~a technology (TECH) loan program~~ the Vermont Entrepreneurial Lending Program to be administered by the Vermont ~~economic development authority~~ Economic Development Authority. The ~~program~~ Program shall seek to meet the working capital and capital-asset financing needs of ~~technology-based companies~~ Vermont-based businesses in seed, start-up, and growth stages. The Program shall specifically seek to fulfill capital requirement needs that are unmet in Vermont, including:

(1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;

(2) loans up to \$1,000,000.00 in growth-stage companies who do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The ~~economic development authority~~ Authority shall ~~establish such~~ adopt regulations, policies, and procedures for the ~~program~~ Program as are necessary to carry out the purposes of this subchapter. The authority's lending criteria shall include consideration of in-state competition and whether a company has made reasonable efforts to secure capital in the private sector ~~increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.~~

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.

(d) The Authority shall include provisions in the terms of a loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.

* * *

Sec. 5. VERMONT ENTREPRENEURIAL LENDING PROGRAM; LOAN LOSS RESERVE FUNDS; CAPITALIZATION

(a) The Vermont Economic Development Authority shall capitalize loan loss reserves for the Vermont Entrepreneurial Lending Program created in 10 V.S.A. § 280bb with the following funding from the following sources:

(1) up to \$1,000,000.00 from Authority funds or eligible federal funds currently administered by the Authority; and

(2) any fiscal year 2014 or fiscal year 2015 funds, or both, appropriated or authorized by the General Assembly.

(b) The Authority shall use the funds in subsection (a) of this section solely for the purpose of establishing and maintaining loan loss reserves to guarantee loans made pursuant to 10 V.S.A. § 280bb.

Sec. 6. 10 V.S.A. chapter 16A is amended to read:

CHAPTER 16A. VERMONT AGRICULTURAL CREDIT PROGRAM

§ 374a. CREATION OF THE VERMONT AGRICULTURAL CREDIT PROGRAM

* * *

(b) No borrower shall be approved for a loan from the corporation that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding the then-current maximum Farm Service Agency loan guarantee limits, or \$2,000,000.00, whichever is greater.

§ 374b. DEFINITIONS

As used in this chapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment which is used for, or will be used for producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural products which have been primarily produced in this ~~state~~ State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) “Agricultural products” mean crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility, to make capital improvements including construction,

purchase, and improvement of farm and agricultural facility buildings that can be made fixtures to the real estate, to promote soil and water conservation and protection, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(5) “Authority” means the Vermont ~~economic development authority~~ Economic Development Authority.

(6) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(7) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer’s income;

(B) the majority of the farmer’s assets; and

(C) an occupation in which the farmer is actively engaged ~~in~~, either on a seasonal or year-round basis.

(8) “Farm operation” shall mean the cultivation of land or other uses of land for the production of food, fiber, horticultural, silvicultural, orchard, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or any combination of the foregoing activities. Farm operation also includes the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land.

* * *

* * * Connecting Capital Providers and Entrepreneurs * * *

Sec. 7. NETWORKING INITIATIVES

(a) The Agency of Commerce and Community Development shall support networking events offered by one or more regional economic development providers designed to connect capital providers with one another or with Vermont entrepreneurs, or both, and shall take steps to facilitate outreach and matchmaking opportunities between investors and entrepreneurs.

(b) The Agency shall submit to the House Committee on Commerce and Economic Development and to the Senate Committee on Economic Development, Housing and General Affairs a report on or before January 15, 2015 concerning the structure of networking initiatives, the relevant provisions of governing performance contracts, the benchmarks and measures of

performance, and the outcomes of and further recommendations for the program.

* * * Downtown Tax Credits * * *

Sec. 8. 32 V.S.A. § 5930aa(3) is amended to read:

(3) “Qualified code or technology improvement project” means a project:

(A)(i) ~~to~~ to install or improve platform lifts suitable for transporting personal mobility devices, elevators, sprinkler systems, and capital improvements in a qualified building, and the installations or improvements are required to bring the building into compliance with the statutory requirements and rules regarding fire prevention, life safety, and electrical, plumbing, and accessibility codes as determined by the ~~department of public safety.~~ Department of Public Safety; or

(ii) to install or improve data or network wiring, or heating, ventilating, or cooling systems reasonably related to data or network installations or improvements, in a qualified building, provided that a professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the fact and cost of the installation or improvement;

(B) ~~to~~ to abate lead paint conditions or other substances hazardous to human health or safety in a qualified building; ~~;~~ or

(C) ~~to~~ to redevelop a contaminated property in a designated downtown or village center under a plan approved by the Secretary of Natural Resources pursuant to 10 V.S.A. § 6615a.

Sec. 9. 32 V.S.A. § 5930aa(7) is amended to read:

(7) “Qualified project” means a qualified code or technology improvement, qualified façade improvement, qualified technology infrastructure project, or qualified historic rehabilitation project as defined by this subchapter.

Sec. 10. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

(a) Qualified applicants may apply to the State Board to obtain the tax credits provided by this subchapter for ~~qualified code improvement, façade improvement, or historic rehabilitation projects~~ a qualified project at any time before one year after completion of the qualified project.

* * *

Sec. 11. 32 V.S.A. § 5930cc(c) is amended to read:

(c) Code or technology improvement tax credit. The qualified applicant of a qualified code or technology improvement project shall be entitled, upon the approval of the State Board, to claim against the taxpayer's State individual income tax, State corporate income tax, or bank franchise or insurance premiums tax liability a credit of 50 percent of qualified expenditures up to a maximum tax credit of \$12,000.00 for installation or improvement of a platform lift, a maximum tax credit of \$50,000.00 for installation or improvement of an elevator, a maximum tax credit of \$50,000.00 for installation or improvement of a sprinkler system, a maximum tax credit of \$30,000.00 for the combined costs of installation or improvement of data or network wiring or a heating, ventilating, or cooling system, and a maximum tax credit of \$25,000.00 for the combined costs of all other qualified code improvements.

Sec. 12. 30 V.S.A. § 218e is added to read:

§ 218e. IMPLEMENTING STATE ENERGY POLICY;
MANUFACTURING

To give effect to the policies of section 202a of this title to provide reliable and affordable energy and assure the State's economic vitality, it is critical to retain and recruit manufacturing and other businesses and to consider the impact on manufacturing and other businesses when issuing orders, adopting rules, and making other decisions affecting the cost and reliability of electricity and other fuels. Implementation of the State's energy policy should:

(1) encourage recruitment and retention of employers providing high-quality jobs and related economic investment and support the State's economic welfare; and

(2) appropriately balance the objectives of this section with the other policy goals and criteria established in this title.

Sec. 13. INVESTIGATION; ELECTRICITY COSTS; MANUFACTURING

(a) The Commissioner of Public Service and the Secretary of Commerce and Community Development, in consultation with the Public Service Board, a private organization that represents the interests of manufacturers, a cooperative electric company, an efficiency utility, a shareholder-owned utility, the Vermont Public Power Supply Authority (VPPSA), a municipal utility that is not a member of VPPSA, and the Vermont Electric Power Company (VELCO), shall conduct an investigation of how best to advance the public good through consideration of the competitiveness of Vermont's industrial or manufacturing businesses with regard to electricity costs.

(b) In conducting the investigation required by this section, the Commissioner and Secretary shall consider:

(1) how best to incorporate into rate design proceedings the impact of electricity costs on business competitiveness and the identification of the costs of service incurred by businesses;

(2) with regard to the energy efficiency programs established under 30 V.S.A. § 209, potential changes to their delivery, funding, financing, and participation requirements;

(3) the history and outcome of any evaluations of the Energy Savings Account or Customer Credit programs, as well as best practices for customer self-directed energy efficiency programs;

(4) the history and outcome of any evaluations of retail choice programs or policies, as related to business competitiveness, that have been undertaken in Vermont and in other jurisdictions;

(5) any other programs or policies the Commissioner and the Secretary deem relevant;

(6) whether and to what extent any programs or policies considered by the Commissioner and the Secretary under this section would impose cost shifts onto other customers, result in stranded costs (costs that cannot be recovered by a regulated utility due to a change in regulatory structure or policy), or conflict with renewable energy requirements in Vermont and, if so, whether such programs or policies would nonetheless promote the public good;

(7) whether and to what extent costs have shifted to residential and business ratepayers following the loss of large utility users, and potential scenarios for additional cost shifts of this type; and

(8) the potential benefits and potential cost shift to residential and business ratepayers if a large utility user undertakes efficiency measures and thereby reduces its share of fixed utility costs.

(c) In conducting the investigation required by this section, the Commissioner and Secretary shall provide the following persons and entities an opportunity for written and oral comments:

(1) consumer and business advocacy groups;

(2) regional development corporations and regional planning commissions; and

(3) any other person or entity as determined by the Commissioner and Secretary.

(d) On or before December 15, 2014, the Commissioner and Secretary shall provide a status report to the General Assembly of its findings and recommendations regarding regulatory or statutory changes that would reduce energy costs for Vermont businesses and promote the public good. On or before December 15, 2015, the Commissioner and Secretary shall provide a final report to the General Assembly of such findings and recommendations.

* * * Domestic Export Program * * *

Sec. 14. DOMESTIC MARKET ACCESS PROGRAM FOR VERMONT AGRICULTURE AND FOREST PRODUCTS

(a) The Secretary of Agriculture, Food and Markets, in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall, subject to available funding, create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program, the purpose of which shall be to:

(1) connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets;

(2) provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships; and

(3) provide one-time matching grants of up to \$2,000.00 per business to attend trade shows and similar events to expand producers' market presence in other U.S. states, subject to available funding.

(b) The Secretary shall collect data on the activities and outcomes of the pilot project authorized under this section and shall report his or her findings and recommendations for further action on or before January 15, 2015, to the House Committees on Agriculture and Forest Products and on Commerce and Economic Development and to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs.

* * * Criminal Penalties for Computer Crimes * * *

Sec. 15. 13 V.S.A. chapter 87 is amended to read:

CHAPTER 87. COMPUTER CRIMES

* * *

§ 4104. ALTERATION, DAMAGE, OR INTERFERENCE

(a) A person shall not intentionally and without lawful authority, alter, damage, or interfere with the operation of any computer, computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4105. THEFT OR DESTRUCTION

(a)(1) A person shall not intentionally and without claim of right deprive the owner of possession, take, transfer, copy, conceal, or retain possession of, or intentionally and without lawful authority, destroy any computer system, computer network, computer software, computer program, or data contained in such computer, computer system, computer program, or computer network.

(2) Copying a commercially available computer program or computer software is not a crime under this section, provided that the computer program and computer software has a retail value of \$500.00 or less and is not copied for resale.

(b) Penalties. A person convicted of violating this section shall be:

(1) if the damage or loss does not exceed \$500.00 for a first offense, imprisoned not more than one year or fined not more than ~~\$500.00~~ \$5,000.00, or both;

(2) if the damage or loss does not exceed \$500.00 for a second or subsequent offense, imprisoned not more than two years or fined not more than ~~\$1,000.00~~ \$10,000.00, or both; or

(3) if the damage or loss exceeds \$500.00, imprisoned not more than 10 years or fined not more than ~~\$10,000.00~~ \$25,000.00, or both.

§ 4106. CIVIL LIABILITY

A person damaged as a result of a violation of this chapter may bring a civil action against the violator for damages, costs, and fees, including reasonable attorney's fees, and such other relief as the court deems appropriate.

* * *

* * * Statute of Limitations to Commence Action
for Misappropriation of Trade Secrets * * *

Sec. 16. 12 V.S.A. § 523 is amended to read:

§ 523. TRADE SECRETS

An action for misappropriation of trade secrets under 9 V.S.A. chapter 143 of ~~Title 9~~ shall be commenced within ~~three~~ six years after the cause of action accrues, and not after. The cause of action shall be deemed to accrue as of the date the misappropriation was discovered or reasonably should have been discovered.

* * * Protection of Trade Secrets * * *

Sec. 17. 9 V.S.A. chapter 143 is amended to read:

CHAPTER 143. TRADE SECRETS

§ 4601. DEFINITIONS

As used in this chapter:

(1) “Improper means” includes theft, bribery, misrepresentation, breach or inducement of a breach of a duty to maintain secrecy, or espionage through electronic or other means.

(2) “Misappropriation” means:

(A) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(B) disclosure or use of a trade secret of another without express or implied consent by a person who:

(i) used improper means to acquire knowledge of the trade secret; or

(ii) at the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(I) derived from or through a person who had utilized improper means to acquire it;

(II) acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(III) derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or

(iii) before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

(3) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(A) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and

(B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

§ 4602. INJUNCTIVE RELIEF

(a) ~~Actual~~ A court may enjoin actual or threatened misappropriation ~~may be enjoined~~ of a trade secret. Upon application to the court, an injunction shall be terminated when the trade secret has ceased to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial advantage that otherwise would be derived from the misappropriation.

(b) In exceptional circumstances, an injunction may condition future use upon payment of a reasonable royalty for no longer than the period of time for which use could have been prohibited. Exceptional circumstances include, ~~but are not limited to,~~ a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation that renders a prohibitive injunction inequitable.

(c) In appropriate circumstances, affirmative acts to protect a trade secret may be compelled by court order.

§ 4603. DAMAGES

(a)(1) Except to the extent that a material and prejudicial change of position prior to acquiring knowledge or reason to know of misappropriation renders a monetary recovery inequitable, a complainant is entitled to recover damages for misappropriation.

(2) Damages can include both the actual loss caused by misappropriation and the unjust enrichment caused by misappropriation that is not taken into account in computing actual loss.

(3) In lieu of damages measured by any other methods, the damages caused by misappropriation may be measured by imposition of liability for a reasonable royalty for a misappropriator’s unauthorized disclosure or use of a trade secret.

(4) A court shall award a substantially prevailing party his or her costs and fees, including reasonable attorney's fees, in an action brought pursuant to this chapter.

(b) If malicious misappropriation exists, the court may award punitive damages.

§ 4605. PRESERVATION OF SECRECY

In an action under this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action, and ordering any person involved in the litigation not to disclose an alleged trade secret without prior court approval.

§ 4607. EFFECT ON OTHER LAW

(a) Except as provided in subsection (b) of this section, this chapter displaces conflicting tort, restitutionary, and any other law of this ~~state~~ State providing civil remedies for misappropriation of a trade secret.

(b) This chapter does not affect:

(1) contractual remedies, whether or not based upon misappropriation of a trade secret;

(2) other civil remedies that are not based upon misappropriation of a trade secret; or

(3) criminal remedies, whether or not based upon misappropriation of a trade secret.

* * *

* * * Intellectual Property; Businesses and Government Contracting * * *

Sec. 18. 3 V.S.A. § 346 is added to read:

§ 346. STATE CONTRACTING; INTELLECTUAL PROPERTY, SOFTWARE DESIGN, AND INFORMATION TECHNOLOGY

(a) The Secretary of Administration shall include in Administrative Bulletin 3.5 a policy direction applicable to State procurement contracts that include services for the development of software applications, computer coding, or other intellectual property, which would allow the State of Vermont to grant permission to the contractor to use or own the intellectual property created under the contract for the contractor's commercial purposes.

(b) The Secretary may recommend contract provisions that authorize the State to negotiate with a contractor to secure license terms and license fees,

royalty rights, or other payment mechanism for the contractor's commercial use of intellectual property developed under a State contract.

(c) If the Secretary authorizes a contractor to own intellectual property developed under a State contract, the Secretary may recommend language to ensure the State retains a perpetual, irrevocable, royalty-free, and fully paid right to continue to use the intellectual property.

* * * Department of Financial Regulation * * *

Sec. 19. SMALL BUSINESS ACCESS TO CAPITAL

(a) Crowdfunding study. The Department of Financial Regulation shall study the opportunities and limitations for crowdfunding to increase access to capital for Vermont's small businesses. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(b) Small business issuer education and outreach. On or before January 15, 2015, the Department of Financial Regulation shall conduct at least two educational events to inform the legal, small business, and investor communities and other interested parties, of opportunities for small businesses to access capital in Vermont, including, the Vermont Small Business Offering Exemption regulation and other securities registration exemptions.

(c) Vermont Small Business Offering Exemption. The Commissioner of Financial Regulation shall exercise his or her rulemaking authority under 9 V.S.A. chapter 150 to review and revise the Vermont Small Business Offering Exemption and any other state securities exemptions, specifically including those designed to complement exemptions from federal registration requirements available under Regulation D, in order to recognize and reflect the evolution of capital markets and to ensure that Vermont remains current and competitive in its securities regulations, particularly with respect to access to capital for small businesses.

Sec. 20. STUDY; DEPARTMENT OF FINANCIAL REGULATION; LICENSED LENDER REQUIREMENTS; COMMERCIAL LENDERS

On or before January 15, 2015, the Department of Financial Regulation shall solicit public comment on, evaluate, and report to the House Committee on Commerce and Economic Development and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs any statutory and regulatory changes to the State's licensed lender requirements that are necessary to open private capital markets and remove unnecessary barriers to business investment in Vermont.

* * * Licensed Lender Requirements; Exemption for De Minimis
Lending Activity * * *

Sec. 21. 8 V.S.A. § 2201 is amended to read:

2201. LICENSES REQUIRED

(a) No person shall without first obtaining a license under this chapter from the ~~commissioner~~ Commissioner:

(1) engage in the business of making loans of money, credit, goods, or things in action and charge, contract for, or receive on any such loan interest, a finance charge, discount, or consideration ~~therefore~~ therefor;

(2) act as a mortgage broker;

(3) engage in the business of a mortgage loan originator; or

(4) act as a sales finance company.

(b) Each licensed mortgage loan originator must register with and maintain a valid unique identifier with the Nationwide Mortgage Licensing System and Registry and must be either:

(1) ~~an~~ An employee actively employed at a licensed location of, and supervised and sponsored by, only one licensed lender or licensed mortgage broker operating in this ~~state~~; State.

(2) ~~an~~ An individual sole proprietor who is also a licensed lender or licensed mortgage broker; ~~or~~.

(3) ~~an~~ An employee engaged in loan modifications employed at a licensed location of, and supervised and sponsored by, only one third-party loan servicer licensed to operate in this ~~state~~ State pursuant to chapter 85 of this title. ~~For purposes of~~ As used in this subsection, “loan modification” means an adjustment or compromise of an existing residential mortgage loan. The term “loan modification” does not include a refinancing transaction.

(c) A person licensed pursuant to subdivision (a)(1) of this section may engage in mortgage brokerage and sales finance if such person informs the ~~commissioner~~ Commissioner in advance that he or she intends to engage in sales finance and mortgage brokerage. Such person shall inform the ~~commissioner~~ Commissioner of his or her intention on the original license application under section 2202 of this title, any renewal application under section 2209 of this title, or pursuant to section 2208 of this title, and shall pay the applicable fees required by subsection 2202(b) of this title for a mortgage broker license or sales finance company license.

(d) No lender license, mortgage broker license, or sales finance company license shall be required of:

(1) ~~a state~~ State agency, political subdivision, or other public instrumentality of the ~~state~~; State.

(2) ~~a~~ A federal agency or other public instrumentality of the United States;.

(3) ~~a~~ A gas or electric utility subject to the jurisdiction of the ~~public service board~~ Public Service Board engaging in energy conservation or safety loans;.

(4) ~~a~~ A depository institution or a financial institution as defined in 8 V.S.A. § 11101(32);.

(5) ~~a~~ A pawnbroker;.

(6) ~~an~~ An insurance company;.

(7) ~~a~~ A seller of goods or services that finances the sale of such goods or services, other than a residential mortgage loan;.

(8) ~~any~~ Any individual who offers or negotiates the terms of a residential mortgage loan secured by a dwelling that served as the individual's residence, including a vacation home, or inherited property that served as the deceased's dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such circumstances that it constitutes a habitual activity and acting in a commercial context;.

(9) ~~lenders~~ Lenders that conduct their lending activities, other than residential mortgage loan activities, through revolving loan funds, that are nonprofit organizations exempt from taxation under Section 501(c) of the Internal Revenue Code, 26 U.S.C. § 501(c), and that register with the ~~commissioner of economic development~~ Commissioner of Economic Development under 10 V.S.A. § 690a;.

(10) ~~persons~~ Persons who lend, other than residential mortgage loans, an aggregate of less than \$75,000.00 in any one year at rates of interest of no more than 12 percent per annum;.

(11) ~~a~~ A seller who, pursuant to 9 V.S.A. § 2355(f)(1)(D), includes the amount paid or to be paid by the seller to discharge a security interest, lien interest, or lease interest on the traded-in motor vehicle in a motor vehicle retail installment sales contract, provided that the contract is purchased, assigned, or otherwise acquired by a sales finance company licensed pursuant to this title to purchase motor vehicle retail installment sales contracts or a depository institution;.

(12)(A) a A person making an unsecured commercial loan, which loan is expressly subordinate to the prior payment of all senior indebtedness of the commercial borrower regardless of whether such senior indebtedness exists at the time of the loan or arises thereafter. The loan may or may not include the right to convert all or a portion of the amount due on the loan to an equity interest in the commercial borrower;

(B) ~~for purposes of~~ As used in this subdivision (12), “senior indebtedness” means:

(i) all indebtedness of the commercial borrower for money borrowed from depository institutions, trust companies, insurance companies, and licensed lenders, and any guarantee thereof; and

(ii) any other indebtedness of the commercial borrower that the lender and the commercial borrower agree shall constitute senior indebtedness;

(13) ~~nonprofit~~ Nonprofit organizations established under testamentary instruments, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), and which make loans for postsecondary educational costs to students and their parents, provided that the organizations provide annual accountings to the Probate Division of the Superior Court;

(14) ~~any~~ Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual;

(15) a A housing finance agency.

(16) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(e) No mortgage loan originator license shall be required of:

(1) Registered mortgage loan originators, when employed by and acting for an entity described in subdivision 2200(22) of this chapter.

(2) Any individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.

(3) Any individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual’s residence, including a vacation home, or inherited property that served as the deceased’s dwelling, provided that the individual does not act as a mortgage loan originator or provide financing for such sales so frequently and under such

circumstances that it constitutes a habitual activity and acting in a commercial context.

(4) An individual who is an employee of a federal, ~~state~~ State, or local government agency, or an employee of a housing finance agency, who acts as a mortgage loan originator only pursuant to his or her official duties as an employee of the federal, ~~state~~ State, or local government agency or housing finance agency.

(5) A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator. To the extent an attorney licensed in this State undertakes activities that are covered by the definition of a mortgage loan originator, such activities do not constitute engaging in the business of a mortgage loan originator, provided that:

(A) such activities are considered by the State governing body responsible for regulating the practice of law to be part of the authorized practice of law within this State;

(B) such activities are carried out within an attorney-client relationship; and

(C) the attorney carries them out in compliance with all applicable laws, rules, ethics, and standards.

(6) A person who makes no more than three mortgage loans in any consecutive three-year period beginning on or after July 1, 2011.

(f) If a person who offers or negotiates the terms of a mortgage loan is exempt from licensure pursuant to subdivision (d)(16) or (e)(6) of this section, there is a rebuttable presumption that he or she is not engaged in the business of making loans or being a mortgage loan originator.

(g) Independent contractor loan processors or underwriters. A loan processor or underwriter who is an independent contractor may not engage in the activities of a loan processor or underwriter unless such independent contractor loan processor or underwriter obtains and maintains a mortgage loan originator license. Each independent contractor loan processor or underwriter licensed as a mortgage loan originator must have and maintain a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.

~~(g)~~(h) This chapter shall not apply to commercial loans of \$1,000,000.00 or more.

* * * Vermont State Treasurer; Credit Facilities; 10 Percent for Vermont * * *

Sec. 22. 2013 Acts and Resolves No. 87, Sec. 8 is amended to read:

Sec. 8. INVESTMENT OF STATE MONIES

The Treasurer is hereby authorized to establish a ~~short-term~~ credit facility for the benefit of the Vermont Economic Development Authority in an amount of up to \$10,000,000.00.

Sec. 23. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any other provision of law to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to 10 percent of the State's average cash balance on terms acceptable to the Treasurer consistent with the provisions of the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

(b) The amount authorized in subsection (a) of this section shall include all credit facilities authorized by the General Assembly and established by the Treasurer prior to or subsequent to the effective date of this section, and the renewal or replacement of those credit facilities.

Sec. 24. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE; REPORT

(a) Creation of committee. The Treasurer's Local Investment Advisory Committee is established to advise the Treasurer on funding priorities and address other mechanisms to increase local investment.

(b) Membership.

(1) The Advisory Committee shall be composed of six members as follows:

(A) the State Treasurer or designee;

(B) the Chief Executive Officer of the Vermont Economic Development Authority or designee;

(C) the Chief Executive Officer of the Vermont Student Assistance Corporation or designee;

(D) the Executive Director of the Vermont Housing Finance Agency or designee;

(E) the Director of the Municipal Bond Bank or designee; and

(F) the Director of Efficiency Vermont or designee.

(2) The State Treasurer shall be the Chair of the Advisory Committee and shall appoint a vice chair and secretary. The appointed members of the Advisory Committee shall be appointed for terms of six years and shall serve until their successors are appointed and qualified.

(c) Powers and duties. The Advisory Committee shall:

(1) meet regularly to review and make recommendations to the State Treasurer on funding priorities and using other mechanisms to increase local investment in the State of Vermont;

(2) invite regularly State organizations, citizens groups, and members of the public to Advisory Committee meetings to present information on needs for local investment, capital gaps, and proposals for financing; and

(3) consult with constituents and review feedback on changes and needs in the local and State investment and financing environments.

(d) Meetings.

(1) Meetings of the Advisory Committee shall occur at the call of the Treasurer.

(2) A majority of the members of the Advisory Committee who are physically present at the same location or available electronically shall constitute a quorum, and a member may participate and vote electronically.

(3) To be effective, action of the Advisory Committee shall be taken by majority vote of the members at a meeting in which a quorum is present.

(e) Report. On or before January 15, 2015, and annually thereafter, the Advisory Committee shall submit a report to the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, on Finance, and on Government Operations and the House Committees on Appropriations, on Commerce and Economic Development, on Ways and Means, and on Government Operations. The report shall include the following:

(1) the amount of the subsidies associated with lending through each credit facility authorized by the General Assembly and established by the Treasurer;

(2) a description of the Advisory Committee's activities; and

(3) any information gathered by the Advisory Committee on the State's unmet capital needs, and other opportunities for State support for local investment and the community.

Sec. 25. SUNSET

Secs. 23–24 of this act shall be repealed on July 1, 2015.

Sec. 26. 9 V.S.A. § 2481w is amended to read:

§ 2481w. UNLICENSED LOAN TRANSACTIONS

(a) In this subchapter:

(1) “Financial account” means a checking, savings, share, stored value, prepaid, payroll card, or other depository account.

(2) “Lender” means a person engaged in the business of making loans of money, credit, goods, or things in action and charging, contracting for, or receiving on any such loan interest, a finance charge, a discount, or consideration.

(3) “Process” or “processing” includes printing a check, draft, or other form of negotiable instrument drawn on or debited against a consumer’s financial account, formatting or transferring data for use in connection with the debiting of a consumer’s financial account by means of such an instrument or an electronic funds transfer, or arranging for such services to be provided to a lender.

(4) “Processor” means a person who engages in processing, as defined in subdivision (3) of this subsection. In this section, “processor” does not include an interbank clearinghouse.

(5) “Interbank clearinghouse” means a person that operates an exchange of automated clearinghouse items, checks, or check images solely between insured depository institutions.

(b) It is an unfair and deceptive act and practice in commerce for a lender directly or through an agent to solicit or make a loan to a consumer by any means unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(c) It is an unfair and deceptive act and practice in commerce for a processor, other than a federally insured depository institution, to process a check, draft, other form of negotiable instrument, or an electronic funds transfer from a consumer’s financial account in connection with a loan solicited or made by any means to a consumer unless the lender is in compliance with all provisions of 8 V.S.A. chapter 73 or is otherwise exempt from the requirements of 8 V.S.A. chapter 73.

(d) It is an unfair and deceptive act and practice in commerce for any person, including the lender’s financial institution as defined in 8 V.S.A.

§ 10202(5), but not including the consumer's financial institution as defined in 8 V.S.A. § 10202(5) or an interbank clearinghouse as defined in subsection (a) of this section, to provide substantial assistance to a lender or processor when the person or the person's authorized agent receives notice from a regulatory, law enforcement, or similar governmental authority, or knows from its normal monitoring and compliance systems, or consciously avoids knowing that the lender or processor is in violation of subsection (b) or (c) of this section, or is engaging in an unfair or deceptive act or practice in commerce.

Sec. 27. 30 V.S.A. § 248a is amended to read:

§ 248a. CERTIFICATE OF PUBLIC GOOD FOR COMMUNICATIONS FACILITIES

* * *

(b) Definitions. ~~For the purposes of~~ As used in this section:

* * *

(4) "Telecommunications facility" means a communications facility that transmits and receives signals to and from a local, State, national, or international network used primarily for two-way communications for commercial, industrial, municipal, county, or State purposes and any associated support structure that is proposed for construction or installation which is primarily for communications purposes, and any ancillary improvements that are proposed for construction or installation and are primarily intended to serve the communications facilities or support structure. An applicant may seek approval of construction or installation of a telecommunications facility whether or not the telecommunications facility is attached to an existing structure.

(5) "Wireless service" means any commercial mobile radio service, wireless service, common carrier wireless exchange service, cellular service, personal communications service (PCS), specialized mobile radio service, paging service, wireless data service, or public or private radio dispatch service.

* * *

(c) Findings. Before the Public Service Board issues a certificate of public good under this section, it shall find that:

(1) The proposed facility will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment, and the public health and safety, and the public's use and enjoyment of the I-89 and I-91 scenic corridors or of any highway that has been designated as a scenic road pursuant to 19 V.S.A. § 2501 or a scenic byway pursuant to 23 U.S.C.

§ 162, with due consideration having been given to the relevant criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8) and (9)(K). However, with respect to telecommunications facilities of limited size and scope, the Board shall waive all criteria of this subdivision other than 10 V.S.A. § 6086(a)(1)(D)(floodways) and (a)(8)(aesthetics, scenic beauty, historic sites, rare and irreplaceable natural areas; endangered species; necessary wildlife habitat). Such waiver shall be on condition that:

(A) ~~The~~ the Board may determine, pursuant to the procedures described in subdivision (j)(2)(A) of this section, that a petition raises a significant issue with respect to any criterion of this subdivision; and

(B) ~~A~~ a telecommunications facility of limited size and scope shall comply, at a minimum, with the requirements of the Low Risk Site Handbook for Erosion Prevention and Sediment Control issued by the Department of Environmental Conservation, regardless of any provisions in that handbook that limit its applicability.

(2) Unless there is good cause to find otherwise, substantial deference has been given to the land conservation measures in the plans of the affected municipalities and the recommendations of the municipal legislative bodies and the municipal and regional planning commissions regarding the municipal and regional plans, respectively. Nothing in this section or other provision of law shall prevent a municipal body from basing its recommendations on an ordinance adopted under 24 V.S.A. § 2291(19) or bylaw adopted under 24 V.S.A. chapter 117 by the municipality in which the facility is located. A rebuttable presumption respecting compliance with the applicable plan shall be created by a letter from an affected municipal legislative body or municipal planning commission concerning compliance with the municipal plan and by a letter from a regional planning commission concerning compliance with the regional plan.

(3) If the proposed facility relates to the provision of wireless service, the proposed facility reasonably cannot be collocated on or at an existing telecommunications facility, or such collocation would cause an undue adverse effect on aesthetics.

* * *

(e) Notice. No less than 45 days prior to filing an application for a certificate of public good under this section, the applicant shall serve written notice of an application to be filed with the Board pursuant to this section to the legislative bodies and municipal and regional planning commissions in the communities in which the applicant proposes to construct or install facilities; the Secretary of Natural Resources; the Secretary of Transportation; the Division for Historic Preservation; the Commissioner of Public Service and its

Director for Public Advocacy; the Natural Resources Board if the application concerns a telecommunications facility for which a permit previously has been issued under 10 V.S.A. chapter 151; and the landowners of record of property adjoining the project sites. In addition, at least one copy of each application shall be filed with each of these municipal and regional planning commissions.

(1) Upon motion or otherwise, the Public Service Board shall direct that further public or personal notice be provided if the Board finds that such further notice will not unduly delay consideration of the merits and that additional notice is necessary for fair consideration of the application.

(2) On the request of the municipal legislative body or the planning commission, the applicant shall attend a public meeting with the municipal legislative body or planning commission, or both, within the 45-day notice period before filing an application for a certificate of public good. The Department of Public Service shall attend the public meeting on the request of the municipality. The Department shall consider the comments made and information obtained at the meeting in making recommendations to the Board on the application and in determining whether to retain additional personnel under subsection (o) of this section.

* * *

(i) Sunset of Board authority. Effective on July 1, 2014 2017, no new applications for certificates of public good under this section may be considered by the Board.

* * *

(m) Municipal bodies; participation. The legislative body and the planning commission for the municipality in which a telecommunications facility is located shall have the right to appear and participate on any application under this section seeking a certificate of public good for the facility.

(n) Municipal recommendations. The Board shall consider the comments and recommendations submitted by the municipal legislative body and planning commission. The Board's decision to issue or deny a certificate of public good shall include a detailed written response to each recommendation of the municipal legislative body and planning commission.

(o) Retention; experts. The Department of Public Service may retain experts and other personnel as identified in section 20 of this title to provide information essential to a full consideration of an application for a certificate of public good under this section. The Department may allocate the expenses incurred in retaining these personnel to the applicant in accordance with section 21 of this title. The Department may commence retention of these personnel once the applicant has filed the 45-day notice under subsection (e) of

this section. A municipal legislative body or planning commission may request that the Department retain these personnel. Granting such a request shall not oblige the Department or the personnel it retains to agree with the position of the municipality.

(p) Review process; guide. The Department of Public Service, in consultation with the Board, shall create, maintain, and make available to the public a guide to the process of reviewing telecommunications facilities under this section for use by local governments and regional planning commissions and members of the public who seek to participate in the process. On or before September 1, 2014, the Department shall complete the creation of this guide and make it publically available.

Sec. 28. PUBLIC SERVICE BOARD; ORDER REVISION

The Public Service Board (the Board) shall define the terms “good cause” and “substantial deference” for the purpose of 30 V.S.A. § 248a(c)(2) in accordance with the following process:

(1) Within 30 days of the effective date of this section, the Board shall provide direct notice to each municipal legislative body and planning commission, the Vermont League of Cities and Towns, the Department of Public Service, and such other persons as the Board considers appropriate, that it will be amending its procedures order issued under 30 V.S.A. § 248a(1) to include definitions of these terms. The notice shall provide an opportunity for submission of comments and recommendations and include the date and time of the workshop to be held.

(2) Within 60 days of giving notice under subdivision (1) of this section, the Board shall amend its procedures order to include definitions of these terms.

Sec. 29. REPORT; TELECOMMUNICATIONS FACILITY REVIEW PROCESS

On or before October 1, 2015, the Department of Public Service shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Finance a report assessing the telecommunications facility review process under 30 V.S.A § 248a. The report shall include the number of applications for the construction or installation of telecommunications facilities filed with the Board, the number of applications for which a certificate of public good was granted, the number of applications for which notice was filed but were then withdrawn, and the number of times the Department used its authority under 30 V.S.A. § 248(o) to allocate expenses incurred in retaining expert personnel to the applicant, during the year ending August 31, 2015.

Sec. 30. 10 V.S.A. § 1264(j) is amended to read:

(j) Notwithstanding any other provision of law, if an application to discharge stormwater runoff pertains to a telecommunications facility as defined in 30 V.S.A. § 248a and is filed before July 1, ~~2014~~ 2017 and the discharge will be to a water that is not principally impaired by stormwater runoff:

(1) The Secretary shall issue a decision on the application within 40 days of the date the Secretary determines the application to be complete, if the application seeks authorization under a general permit.

(2) The Secretary shall issue a decision on the application within 60 days of the date the Secretary determines the application to be complete, if the application seeks or requires authorization under an individual permit.

Sec. 31. 10 V.S.A. § 8506 is amended to read:

§ 8506. RENEWABLE ENERGY PLANT; TELECOMMUNICATIONS FACILITY; APPEALS

(a) Within 30 days of the date of the act or decision, any person aggrieved by an act or decision of the ~~secretary~~ Secretary, under the provisions of law listed in section 8503 of this title, or any party by right may appeal to the ~~public service board~~ Public Service Board if the act or decision concerns a renewable energy plant for which a certificate of public good is required under 30 V.S.A. § 248 or a telecommunications facility for which the applicant has applied or has served notice under 30 V.S.A. § 248a(e) that it will apply for approval under 30 V.S.A. § 248a. This section shall not apply to a facility that is subject to section 1004 (dams before the Federal Energy Regulatory Commission) or 1006 (certification of hydroelectric projects) or chapter 43 (dams) of this title. This section shall not apply to an appeal of an act or decision of the secretary regarding a telecommunications facility made on or after July 1, ~~2014~~ 2017.

* * *

Sec. 32. REPEAL

2011 Acts and Resolves No. 53, Sec. 14d (repeal of limitations on municipal bylaws; municipal ordinances; wireless telecommunications facilities) is repealed.

Sec. 33. 3 V.S.A. § 2809 is amended to read:

§ 2809. REIMBURSEMENT OF AGENCY COSTS

(a)(1) The Secretary may require an applicant for a permit, license, certification, or order issued under a program that the Secretary enforces under

10 V.S.A. § 8003(a) to pay for the cost of research, scientific, programmatic, or engineering expertise provided by the Agency of Natural Resources, provided that the following apply:

(A) ~~the~~ The Secretary does not have such expertise or services and such expertise is required for the processing of the application for the permit, license, certification, or order; ~~or~~.

(B) ~~the~~ The Secretary does have such expertise but has made a determination that it is beyond the ~~agency's~~ Agency's internal capacity to effectively utilize that expertise to process the application for the permit, license, certification, or order. In addition, the Secretary shall determine that such expertise is required for the processing of the application for the permit, license, certification, or order.

(2) The Secretary may require an applicant under 10 V.S.A. chapter 151 to pay for the time of Agency of Natural Resources personnel providing research, scientific, or engineering services or for the cost of expert witnesses when ~~agency~~ Agency personnel or expert witnesses are required for the processing of the permit application.

(3) In addition to the authority set forth under 10 V.S.A. chapters 59 and 159 and § section 1283, the Secretary may require a person who caused the ~~agency~~ Agency to incur expenditures or a person in violation of a permit, license, certification, or order issued by the Secretary to pay for the time of ~~agency~~ Agency personnel or the cost of other research, scientific, or engineering services incurred by the ~~agency~~ Agency in response to a threat to public health or the environment presented by an emergency or exigent circumstance.

* * *

(g) Concerning an application for a permit to discharge stormwater runoff from a telecommunications facility as defined in 30 V.S.A. § 248a that is filed before July 1, ~~2014~~ 2017:

(1) Under subdivision (a)(1) of this section, the ~~agency~~ Agency shall not require an applicant to pay more than \$10,000.00 with respect to a facility.

(2) The provisions of subsection (c) (mandatory meeting) of this section shall not apply.

Sec. 34. JFO ACCD DEMOGRAPHIC STUDY

The Agency of Commerce and Community Development, with consultation and review by the legislative economist and the Joint Fiscal Office, shall conduct an economic impact analysis, including study of demographic and infrastructure impacts associated with recently announced development

projects in the Northeast Kingdom of Vermont, and shall submit its findings to the House Committee on Commerce and Economic Development, the Senate Committee on Economic Development, Housing and General Affairs, and the Joint Fiscal Committee on or before December 1, 2014.

* * * Tourism Funding; Study * * *

Sec. 35. TOURISM FUNDING; PILOT PROJECT STUDY

On or before January 15, 2015, the Secretary of Commerce and Community Development shall submit to the House Committees on Appropriations and on Commerce and Economic Development and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs a report that analyzes the results of the performance-based funding pilot project for the Department of Tourism and Marketing and recommends appropriate legislative or administrative changes to the funding mechanism for tourism and marketing programs.

* * * Land Use; Housing; Industrial Development * * *

Sec. 36. 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

§ 212. DEFINITIONS

As used in this chapter:

* * *

(6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the authority that meets the criteria established in the Vermont Sustainable Jobs Strategy adopted by the Governor under section 280b of this title, including land and rights in land, air, or water, buildings, structures, machinery, and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of state, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing. Such enterprises or endeavors may include:

* * *

(M) Sustainably Priced Energy Enterprise Development (SPEED) resources, as defined in 30 V.S.A. § 8002; ~~or~~

(N) any combination of the foregoing activities, uses, or purposes. An eligible facility may include structures, appurtenances incidental to the foregoing such as utility lines, storage accommodations, offices, dependent care facilities, or transportation facilities; or

(O) industrial park planning, development, or improvement.

* * *

§ 261. ADDITIONAL POWERS

In addition to powers enumerated elsewhere in this chapter, the authority may:

* * *

(6) provide loans and assistance under this subchapter for the planning, development, or improvement of an industrial park or an eligible project within an industrial park.

Sec. 37. 10 V.S.A. § 6001(35) is added to read:

(35) "Industrial park" means an area of land permitted under this chapter that is planned, designed, and zoned as a location for one or more industrial buildings, that includes adequate access roads, utilities, water, sewer, and other services necessary for the uses of the industrial buildings, and includes no retail use except that which is incidental to an industrial use, and no office use except that which is incidental or secondary to an industrial use.

Sec. 38. REVIEW OF MASTER PLAN POLICY

On or before January 1, 2015, the Natural Resources Board shall review its master plan policy and commence the policy's adoption as a rule. The proposed rule shall include provisions for efficient master plan permitting and master plan permit amendments for industrial parks. The Board shall consult with affected parties when developing the proposed rule.

* * * Primary Agricultural Soils; Industrial Parks * * *

Sec. 39. 10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in an industrial park ~~as defined in subdivision 212(7) of this title and~~ permitted under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of subdivision (1) of this subsection, except that it shall be entitled to a ratio of 1:1, protected acres to acres of affected primary agricultural soil. If an industrial park is developed to the

fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a ~~district commission for expansion of~~ District Commission to amend a permit for an existing industrial park, compact development patterns shall be encouraged that assure the most efficient and full use of land and the realization of maximum economic development potential through appropriate densities shall be allowed consistent with all applicable criteria of subsection 6086(a) of this title. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision 6086(a)(9)(C)(iii).

Sec. 40. RESERVED

* * * Workforce Education and Training * * *

Sec. 41. 10 V.S.A. chapter 22A is amended to read:

CHAPTER 22A. WORKFORCE EDUCATION AND TRAINING

§ 540. WORKFORCE EDUCATION AND TRAINING LEADER

The Commissioner of Labor shall be the leader of workforce education and training in the State, and shall have the authority and responsibility for the coordination of workforce education and training within State government, including the following duties:

(1) Perform the following duties in consultation with the State Workforce Investment Board:

(A) advise the Governor on the establishment of an integrated system of workforce education and training for Vermont;

(B) create and maintain an inventory of all existing workforce education and training programs and activities in the State;

(C) use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs;

(D) develop a State plan, as required by federal law, to ensure that workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible;

(E) ensure coordination and non-duplication of workforce education and training activities;

(F) identify best practices and gaps in the delivery of workforce education and training programs;

(G) design and implement criteria and performance measures for workforce education and training activities; and

(H) establish goals for the integrated workforce education and training system.

(2) Require from each business, training provider, or program that receives State funding to conduct workforce education and training a report that evaluates the results of the training. Each recipient shall submit its report on a schedule determined by the Commissioner and shall include at least the following information:

(A) name of the person who receives funding;

(B) amount of funding;

(C) activities and training provided;

(D) number of trainees and their general description;

(E) employment status of trainees; and

(F) future needs for resources.

(3) Review reports submitted by each recipient of workforce education and training funding.

(4) Issue an annual report to the Governor and the General Assembly on or before December 1 that includes a systematic evaluation of the accomplishments of the State workforce investment system and the performance of participating agencies and institutions.

(5) Coordinate public and private workforce programs to assure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact.

(6) Facilitate effective communication between the business community and public and private educational institutions.

(7) Notwithstanding any provision of State law to the contrary, and to the fullest extent allowed under federal law, ensure that in each State and

State-funded workforce education and training program, the program administrator collects and reports data and outcomes at the individual level by Social Security Number or an equivalent.

§ 541. ~~WORKFORCE DEVELOPMENT COUNCIL; STATE WORKFORCE INVESTMENT BOARD; MEMBERS, TERMS~~

~~(a) The Workforce education and training Council is created as the successor to and the continuation of the Governor's Human Resources Investment Council and shall be the State Workforce Investment Board under Public Law 105-220, the Workforce Investment Act of 1998, and any reauthorization of that act. The Council shall consist of the members required under the federal act and the following: the President of the University of Vermont or designee; the Chancellor of the Vermont State Colleges or designee; the President of the Vermont Student Assistance corporation or designee; the President of the Association of Vermont Independent Colleges or designee; a representative of the Abenaki Self Help Organization; at least two representatives of labor appointed by the Governor in addition to the two required under the federal act, who shall be chosen from a list of names submitted by Vermont AFL CIO, Vermont NEA, and the Vermont State Employees Association; one representative of the low income community appointed by the Governor; two members of the Senate appointed by the Senate Committee on Committees; and two members of the house appointed by the speaker. In addition, the Governor shall appoint enough other members who are representatives of business or employers so that one half plus one of the members of the council are representatives of business or employers. At least one third of those appointed by the Governor as representatives of business or employers shall be chosen from a list of names submitted by the regional technical centers. As used in this section, "representative of business" means a business owner, a chief executive operating officer, or other business executive, and "employer" means an individual with policy making or hiring authority, including a public school superintendent or school board member and representatives from the nonprofit, social services, and health sectors of the economy. If there is a dispute as to who is to represent an interest as required under the federal law, the Governor shall decide who shall be the member of the Council.~~

~~(b) Appointed members, except legislative appointees, shall be appointed for three year terms and serve at the pleasure of the Governor.~~

~~(c) A vacancy shall be filled for the unexpired term in the same manner as the initial appointment.~~

~~(d) The Governor shall appoint one of the business or employer members to chair the council for a term of two years. A member shall not serve more than three consecutive terms as chair.~~

~~(e) Legislative members shall be entitled to compensation and expenses as provided in 2 V.S.A. § 406, and other members shall be entitled to compensation and expenses as provided in 32 V.S.A. § 1010.~~

~~(f) The Department of Labor shall provide the Council with administrative support.~~

~~(g) The Workforce education and training Council shall be subject to 1 V.S.A. chapter 5, subchapters 2 and 3, relating to public meetings and access to public records.~~

~~(h) [Repealed.]~~

~~(i) The Workforce education and training Council shall:~~

~~(1) Advise the Governor on the establishment of an integrated network of workforce education and training for Vermont.~~

~~(2) Coordinate planning and services for an integrated network of workforce education and training and oversee its implementation at State and regional levels.~~

~~(3) Establish goals for and coordinate the State's workforce education and training policies.~~

~~(4) Speak for the workforce needs of employers.~~

~~(5) Negotiate memoranda of understanding between the Council and agencies and institutions involved in Vermont's integrated network of workforce education and training in order to ensure that each is working to achieve annual objectives developed by the Council.~~

~~(6) Carry out the duties assigned to the State Workforce Investment Board, as required for a single service delivery state, under P.L. 105-220, the Workforce Investment Act of 1998, and any amendments that may be made to it. [Repealed.]~~

§ 541a. STATE WORKFORCE INVESTMENT BOARD

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § 2821, the Governor shall establish a State Workforce Investment Board to assist the Governor in the execution of his or her duties under the Workforce Investment Act of 1998 and to assist the Commissioner of Labor as specified in section 540 of this title.

(b) Additional duties; planning; process. In order to inform its decision-making and to provide effective assistance under subsection (a) of this section, the Board shall:

(1) conduct an ongoing public engagement process throughout the State that brings together employers and potential employees, including students, the unemployed, and incumbent employees seeking further training, to provide feedback and information concerning their workforce education and training needs; and

(2) maintain familiarity with the federal Comprehensive Economic Development Strategy (CEDS) and other economic development planning processes, and coordinate workforce and education activities in the State, including the development and implementation of the State plan required under the Workforce Investment Act of 1998, with economic development planning processes occurring in the State, as appropriate.

(c) Membership. The Board shall consist of the Governor and the following members who are appointed by the Governor and serve at his or her pleasure, unless otherwise indicated:

(1) two Members of the Vermont House of Representatives appointed by the Speaker of the House;

(2) two Members of the Vermont Senate appointed by the Senate Committee on Committees;

(3) the President of the University of Vermont or designee;

(4) the Chancellor of the Vermont State Colleges or designee;

(5) the President of the Vermont Student Assistance Corporation or designee;

(6) a representative of an independent Vermont college or university;

(7) the Secretary of Education or designee;

(8) a director of a regional technical center;

(9) a principal of a Vermont high school;

(10) two representatives of labor organizations who have been nominated by State labor federations;

(11) two representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § 2801(52);

(12) two representatives of individuals and organizations who have experience in the delivery of workforce investment activities, as defined in 29 U.S.C. § 2801(51);

(13) the lead State agency officials with responsibility for the programs and activities carried out by one-stop partners, as described in 29 U.S.C. § 2841(b), or if no official has that responsibility, a representative in the State with expertise relating to these programs and activities;

(14) the Commissioner of Economic Development;

(15) the Commissioner of Labor;

(16) the Secretary of Human Services or designee;

(17) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and

(18) a number of appointees sufficient to constitute a majority of the Board who:

(A) are owners, chief executives, or operating officers of businesses, and other business executives or employers with optimum policymaking or hiring authority;

(B) represent businesses with employment opportunities that reflect the employment opportunities of the State; and

(C) are appointed from among individuals nominated by State business organizations and business trade associations.

(d) Operation of Board.

(1) Member representation.

(A) Members of the State Board who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

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

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

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

(4) Work groups; task forces. The Chair, in consultation with the Commissioner of Labor, may:

(A) assign one or more members to work groups to carry out the work of the Board; and

(B) appoint one or more members of the Board, or nonmembers of the Board, or both, to one or more task forces for a discrete purpose and duration.

(5) Quorum; meetings; voting.

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

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

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

(6) Reimbursement.

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

(B) Unless otherwise compensated by his or her employer for performance of his or her duties on the Board, a nonlegislative member of the Board shall be eligible for per diem compensation of \$50.00 per day for attendance at a meeting of the Board, and for reimbursement of his or her necessary expenses, which shall be paid by the Department of Labor solely from funds available for that purpose under the Workforce Investment Act of 1998.

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

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

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

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

(B) engage in any activity that the Governor determines constitutes a conflict of interest as specified in the State Plan required under 29 U.S.C. § 2822.

(8) Sunshine provision. The Board shall make available to the public, on a regular basis through open meetings, information regarding the activities of the Board, including information regarding the State Plan adopted pursuant to 29 U.S.C. § 2822 and prior to submission of the State Plan to the U.S. Secretary of Labor, information regarding membership, and, on request, minutes of formal meetings of the Board.

§ 541b. WORKFORCE EDUCATION AND TRAINING; DUTIES OF OTHER STATE AGENCIES, DEPARTMENTS, AND PRIVATE PARTNERS

(a) To ensure the Workforce Investment Board and the Commissioner of Labor are able to fully perform their duties under this chapter, each agency and department within State government, and each person who receives funding from the State, shall comply within a reasonable period of time with a request for data and information made by the Board or the Commissioner in furtherance of their duties under this chapter.

(b) The Agency of Commerce and Community Development shall coordinate its work in adopting a statewide economic development plan with the activities of the Board and the Commissioner of Labor, including the development and implementation of the state plan for workforce education and training required under the Workforce Investment Act of 1998.

§ 542. REGIONAL WORKFORCE DEVELOPMENT EDUCATION AND TRAINING

(a) The Commissioner of Labor, in coordination with the Secretary of Commerce and Community Development, and in consultation with the Workforce ~~education and training Council~~ Investment Board, is authorized to issue performance grants to one or more persons to perform workforce education and training activities in a region.

(b) Each grant shall specify the scope of the workforce education and training activities to be performed and the geographic region to be served, and shall include outcomes and measures to evaluate the grantee's performance.

(c) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop a grant process and eligibility criteria, as well as an outreach process for notifying potential participants of the grant program. The Commissioner of Labor shall have final authority to approve each grant.

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

(a) Creation. There is created a Workforce Education and Training Fund in the ~~department of labor~~ Department of Labor to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) Purposes. The Fund shall be used exclusively for the following ~~two~~ purposes:

(1) training ~~to improve the skills of~~ for Vermont workers, including those who are unemployed, underemployed, or in transition from one job or career to another; and

(2) internships to provide students with work-based learning opportunities with Vermont employers; and

(3) apprenticeship-related instruction.

(c) Administrative Support. Administrative support for the grant award process shall be provided by the ~~Departments~~ Department of Labor and of Economic Development. Technical, ~~administrative, financial, and other~~ support shall be provided whenever appropriate and reasonable by the Workforce ~~Development Council~~ Investment Board and all other public entities involved in ~~Economic Development, workforce development and training, and education~~ economic development and workforce education and training.

(d) Eligible Activities. Awards from the Fund shall be made to employers and entities that offer programs that require collaboration between employees and businesses, including private, public, and nonprofit entities, institutions of higher education, high schools, technical centers, and workforce education and training programs. Funding shall be for training programs and student internship programs that offer education, training, apprenticeship, mentoring, or work-based learning activities, or any combination; that employ innovative intensive student-oriented competency-based or collaborative approaches to workforce education and training; and that link workforce education and economic development strategies. Training programs or projects that demonstrate actual increased income and economic opportunity for employees and employers may be funded for more than one year. Student internships and training programs that involve the same employer may be funded multiple times, provided that new students participate.

(e) ~~Award Criteria and Process.~~ ~~The Workforce education and training Council, in consultation with the Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop criteria consistent with subsection (d) of this section for making awards under this section.~~ ~~The~~

~~Commissioners of Labor and of Economic Development and the Secretary of Education, shall develop a process for making awards. [Repealed].~~

(f) Awards. ~~Based on guidelines set by the council, the~~ The Commissioner of labor, ~~and the Secretary of Education~~ Labor, in consultation with the Workforce Investment Board, shall ~~jointly~~ develop award criteria and may make awards to the following:

(1) Training Programs.

~~(A) Public, private, and nonprofit entities for existing or new innovative training programs. Awards may be made to programs that retrain incumbent workers that enhance the skills of Vermont workers and:~~

~~(i) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(ii) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(iii) articulate clear goals and demonstrate readily accountable, reportable, and measurable results; and~~

~~(iv) demonstrate an integrated connection between training and specific new or continuing employment opportunities.~~

~~(B) Awards under this subdivision shall be made to programs or projects that do all the following:~~

~~(A)(i) offer innovative programs of intensive, student-centric, competency-based education, training, apprenticeship, mentoring, or any combination of these;~~

~~(B)(ii) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed due to changing workplace demands by increasing productivity and developing new skills for incumbent workers; or~~

~~(iii) in the discretion of the Commissioner, otherwise serve the purposes of this chapter.~~

~~(C) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;~~

~~(D) do not duplicate, supplant, or replace other available programs funded with public money;~~

~~(E) articulate clear goals and demonstrate readily accountable, reportable, and measurable results;~~

~~(F) demonstrate an integrated connection between training and specific employment opportunities, including an effort and consideration by participating employers to hire those who successfully complete a training program; and~~

(2) Vermont Career Internship Program. Funding for eligible internship programs and activities under the Vermont Career Internship Program established in section 544 of this title.

(3) Apprenticeship Program. The Vermont Apprenticeship Program established under 21 V.S.A. chapter 13. Awards under this subdivision may be used to fund the cost of apprenticeship-related instruction provided by the Department of Labor.

(g) [Repealed.]

§ 544. VERMONT CAREER INTERNSHIP PROGRAM

(a)(1) The Department of Labor, in consultation with the Agency of Education, shall develop and implement a statewide Vermont Career Internship Program for Vermonters who are in high school or in college and for those who are recent graduates of 24 months or less.

(2) The Department of Labor shall coordinate and provide funding to public and private entities for internship programs that match Vermont employers with students from public and private secondary schools, regional technical centers, the Community High School of Vermont, colleges, and recent graduates of 24 months or less.

(3) Funding awarded through the Vermont Career Internship Program may be used to administer an internship program and to provide participants with a stipend during the internship, based on need. Funds may be made only to programs or projects that do all the following:

(A) do not replace or supplant existing positions;

(B) create real workplace expectations and consequences;

(C) provide a process that measures progress toward mastery of skills, attitude, behavior, and sense of responsibility required for success in that workplace;

(D) are designed to motivate and educate secondary and postsecondary students and recent graduates through work-based learning opportunities with Vermont employers that are likely to lead to real employment;

(E) include mechanisms that promote employer involvement with secondary and postsecondary students and curriculum and the delivery of education at the participating schools; and

(F) offer participants a continuum of learning, experience, and relationships with employers that will make it financially possible and attractive for graduates to continue to work and live in Vermont.

(4) ~~For the purposes of~~ As used in this section, “internship” means a learning experience working with an employer where the intern may, but does not necessarily, receive academic credit, financial remuneration, a stipend, or any combination of these.

(b) The Department of Labor, in collaboration with the Agencies of Agriculture, Food and Markets and of Education, ~~state-funded~~ State-funded postsecondary educational institutions, the Workforce ~~Development Council Investment Board~~, and other ~~state~~ State agencies and departments that have workforce education and training and training monies, shall:

(1) identify new and existing funding sources that may be allocated to the Vermont Career Internship Program;

(2) collect data and establish program goals and quantifiable performance measures for internship programs funded through the Vermont Career Internship Program;

(3) develop or enhance a website that will connect students and graduates with internship opportunities with Vermont employers;

(4) engage appropriate agencies and departments of the State in the Internship Program to expand internship opportunities with State government and with entities awarded State contracts; and

(5) work with other public and private entities to develop and enhance internship programs, opportunities, and activities throughout the State.

Sec. 42. 10 V.S.A. chapter 22 is amended to read:

CHAPTER 22. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM

§ 531. ~~EMPLOYMENT~~ THE VERMONT TRAINING PROGRAM

(a)(1) The Secretary of Commerce and Community Development ~~may, in consultation with the Workforce Investment Board, shall have the authority to design and implement a Vermont Training Program, the purpose of which shall be to issue performance-based grants to any employer, consortium of employers, or providers of training, either individuals or organizations, as necessary, to conduct training under the following circumstances: to employers and to education and training providers to increase employment opportunities in Vermont consistent with this chapter.~~

(2) The Secretary shall structure the Vermont Training Program to serve as a flexible, nimble, and strategic resource for Vermont businesses and workers across all sectors of the economy.

~~(1) when issuing grants to an employer or consortium of employers, the employer promises as a condition of the grant to where eligible facility is defined as in subdivision 212(6) of this title relating to the Vermont Economic Development Authority, or the employer or consortium of employers promises to open an eligible facility within the State which will employ persons, provided that for the purposes of this section, eligible facility may be broadly interpreted to include employers in sectors other than manufacturing; and~~

~~(2) training is required for potential employees, new employees, or long-standing employees in the methods, either singularly or in combination relating to pre-employment training, on-the-job training, upgrade training, and crossover training, or specialized instruction, either in plant or through a training provider.~~

(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:

~~(1) the employer's new or expanded initiative will enhance employment opportunities for Vermont residents; the training is for preemployment, new employees, or incumbent employees in the methods, either singularly or in combination, relating to preemployment training, on-the-job training, upgrade training, crossover training, or specialized instruction, either on-site or through a training provider;~~

(2) the employer provides its employees with at least three of the following:

(A) health care benefits with 50 percent or more of the premium paid by the employer;

(B) dental assistance;

(C) paid vacation ~~and~~;

(D) paid holidays;

~~(D)~~(E) child care;

~~(E)~~(F) other extraordinary employee benefits;

~~(F)~~(G) retirement benefits; and

(H) other paid time off, including paid sick days;

(3) the training is directly related to the employment responsibilities of the trainee; and

(4) compensation for each trainee at the completion of the training program equals or exceeds the livable wage as defined in 2 V.S.A. § 505, provided that the Secretary shall have the authority to modify this requirement if he or she determines that the employer offers compensation or benefits, the value of which exceeds the compensation and benefit assumptions in the basic needs budget and livable wage calculated pursuant to 2 V.S.A. § 505.

~~(c) The employer promises as a condition of the grant to:~~

~~(1) employ new persons at a wage which, at the completion of the training program, is two times the prevailing state or federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 30 percent of the gross program wage, or for existing employees, to increase the wage to two times the prevailing state and federal minimum wage, whichever is greater, reduced by the value of any existing health benefit package up to a limit of 20 percent of the gross program wage, upon completion of training; provided, however, that in areas defined by the Secretary of Commerce and Community Development in which the Secretary finds that the rate of unemployment is 50 percent greater than the average for the State, the wage rate under this subsection may be set by the Secretary at a rate no less than one and one half times the federal or state minimum wage, whichever is greater;~~

~~(2) employ persons who have completed the training provided for them and nominated as qualified for a reasonable period at the wages and occupations described in the contract, unless the employer reasonably finds the nominee is not qualified;~~

~~(3) provide its employees with at least three of the following:~~

~~(A) health care benefits with 50 percent or more of the premium paid by the employer;~~

~~(B) dental assistance;~~

~~(C) paid vacation and holidays;~~

~~(D) child care;~~

~~(E) other extraordinary employee benefits; and~~

~~(F) retirement benefits.~~

~~(4) submit a customer satisfaction report to the Secretary of Commerce and Community Development, on a form prepared by the Secretary for that purpose, no more than 30 days from the last day of the training program.~~

In the case of a grant to a training provider, the Secretary shall require as a condition of the grant that the provider shall disclose to the Secretary the name

of the employer and the number of employees trained prior to final payment for the training.

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

(1) ~~first~~ consult with the Commissioner of Labor regarding whether the grantee has accessed, or is eligible to access, other workforce education and training resources ~~offered by public or private workforce education and training partners;~~

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that a grant for on-the-job training shall either provide not more than 50 percent of wages for each employee in training, or not more than 50 percent of trainer expense, but not both, and further provided that training shall be performed in accordance with a training plan that defines the subject of the training, the number of training hours, and how the effectiveness of the training will be evaluated; and

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

~~(e) The Secretary of Commerce and Community Development shall administer all training programs under this section, may select and use providers of training as appropriate, and shall adopt rules and may accept services, money, or property donated for the purposes of this section. The Secretary may promote awareness of, and may give priority to, training that enhances critical skills, productivity, innovation, quality, or competitiveness, such as training in Innovation Engineering, “Lean” systems, and ISO certification for expansion into new markets. [Repealed.]~~

(f) Upon completion of the training program for any individual, the secretary of Commerce and Community Development shall review the records and shall award to the trainee, if appropriate, a certificate of completion for the training.

~~(g) None of the criteria in subdivision (a)(1) of this section shall apply to a designated job development zone under chapter 29, subchapter 2 of this title. [Repealed.]~~

~~(h) The Secretary may designate the Commissioner of Economic Development to carry out his or her powers and duties under this chapter. [Repealed.]~~

(i) ~~Program Outcomes.~~

~~(1) On or before September 1, 2011, the Agency of Commerce and Community Development, in coordination with the department of labor, and in consultation with the Workforce education and training Council and the legislative Joint Fiscal Office, shall develop, to the extent appropriate, a common set of benchmarks and performance measures for the training program established in this section and the Workforce Education and Training Fund established in section 543 of this title, and shall collect employee-specific data on training outcomes regarding the performance measures; provided, however, that the Secretary shall redact personal identifying information from such data.~~

~~(2) On or before January 15, 2013, the Joint Fiscal Office shall prepare a performance report using the benchmarks and performance measures created pursuant to subdivision (1) of this subsection. The Joint Fiscal Office shall submit its report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development.~~

~~(3) The Secretary shall use information gathered pursuant to this subsection and customer satisfaction reports submitted pursuant to subdivision (c)(4) of this section to evaluate the program and make necessary changes that fall within the Secretary's authority or, if beyond the scope of the Secretary's authority, to recommend necessary changes to the appropriate committees of the General Assembly. [Repealed.]~~

~~(j) Consistent with the training program's goal of providing specialized training and increased employment opportunities for Vermonters, and notwithstanding provisions of this section to the contrary, the Secretary shall canvas apprenticeship sponsors to determine demand for various levels of training and classes and shall transfer up to \$250,000.00 annually to the regional technical centers to fund or provide supplemental funding for apprenticeship training programs leading up to certification or licensing as journeyman or master electricians or plumbers. The Secretary shall seek to provide these funds equitably throughout Vermont; however, the Secretary shall give priority to regions not currently served by apprenticeship programs offered through the Vermont Department of Labor pursuant to 21 V.S.A. chapter 13. [Repealed].~~

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

~~(1) all active and completed contracts and grants;~~

(2) the types of training activities provided, from among the following, the category the training addressed:

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

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

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

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

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

(3) for the training identified in subdivision whether the training is onsite or classroom-based;

(4) the number of employees served, and ;

(5) the average wage by employer, and addressing;

(6) any waivers granted;

(7) the identity of the employer, or, if unknown at the time of the report, the category of employer;

(8) the identity of each training provider; and

(9) whether training results in a wage increase for a trainee, and the amount of increase.

Sec. 43. REPEAL

2007 Acts and Resolves No. 46, Sec. 6(a), as amended by 2009 Acts and Resolves No. 54, Sec. 8 (workforce education and training leader) and 2013 Acts and Resolves No. 81, Sec. 2, is repealed.

Sec. 44. DEPARTMENT OF LABOR; AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; STATUTORY PROPOSALS

On or before November 1, 2014:

(1) The Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 543 to reflect best practices and improve clarity in the administration of, and for applicants to, the grant program from the Workforce Education and Training Fund under that section.

(2) The Secretary of Commerce and Community Development shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a proposal to amend the language of 10 V.S.A. § 531 to reflect best practices and improve clarity in the administration of, and for applicants to, the Vermont Training Program under that section.

Sec. 45. INTERNSHIP OPPORTUNITIES FOR YOUNG PERSONS

On or before January 15, 2015, the Commissioner of Labor shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report that details the internship opportunities available to Vermonters between 15 and 18 years of age and recommends one or more means to expand these opportunities through the Vermont Career Internship Program, 10 V.S.A. § 544, or through other appropriate mechanisms.

* * * Vermont Strong Scholars Program * * *

Sec. 46. 16 V.S.A. chapter 90 is redesignated to read:

CHAPTER 90. FUNDING OF POSTSECONDARY ~~INSTITUTIONS~~
EDUCATION

Sec. 47. 16 V.S.A. § 2888 is added to read:

§ 2888. VERMONT STRONG SCHOLARS AND INTERNSHIP INITIATIVE

(a) Creation.

(1) There is created a postsecondary loan forgiveness and internship initiative designed to forgive a portion of Vermont Student Assistance Corporation loans of students employed in economic sectors identified as important to Vermont's economy and to build internship opportunities for students to gain work experience with Vermont employers.

(2) The initiative shall be known as the Vermont Strong Scholars and Internship Initiative and is designed to:

(A) encourage students to:

(i) consider jobs in economic sectors that are critical to the Vermont economy;

(ii) enroll and remain enrolled in a Vermont postsecondary institution; and

(iii) live in Vermont upon graduation;

(B) reduce student loan debt for postsecondary education in targeted fields;

(C) provide experiential learning through internship opportunities with Vermont employers; and

(D) support a pipeline of qualified talent for employment with Vermont's employers.

(b) Vermont Strong Loan Forgiveness Program.

(1) Economic sectors; projections.

(A) Annually, on or before November 15, the Secretary of Commerce and Community Development and the Commissioner of Labor, in consultation with the Vermont State Colleges, the University of Vermont, the Vermont Student Assistance Corporation, the Secretary of Human Services, and the Secretary of Education, shall identify economic sectors, projecting at least four years into the future, that are or will be critical to the Vermont economy.

(B) Based upon the identified economic sectors and the number of students anticipated to qualify for loan forgiveness under this section, the Secretary of Commerce and Community Development shall annually provide the General Assembly with the estimated cost of the Vermont Student Assistance Corporation's loan forgiveness awards under the loan forgiveness program during the then-current fiscal year and each of the four following fiscal years.

(2) Eligibility. A graduate of a public or private Vermont postsecondary institution shall be eligible for forgiveness of a portion of his or her Vermont Student Assistance Corporation postsecondary education loans under this section if he or she:

(A) was a Vermont resident, as defined in 16 V.S.A. § 2822(7), at the time he or she was graduated;

(B) enrolled in a postsecondary institution on or after July 1, 2015 and completed an associate's degree within three years, or a bachelor's degree within six years;

(C) becomes employed in Vermont within 12 months of graduation in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection;

(D) remains employed in Vermont throughout the period of loan forgiveness in an economic sector identified by the Secretary and Commissioner under subdivision (1) of this subsection; and

(E) remains a Vermont resident throughout the period of loan forgiveness.

(3) Loan forgiveness. An eligible individual shall have a portion of his or her Vermont Student Assistance Corporation loan forgiven as follows:

(A) for an individual awarded an associate's degree, in an amount equal to the comprehensive in-state tuition rate for 15 credits at the Vermont State Colleges during the individual's final semester of enrollment, to be prorated over the three years following graduation; and

(B) for an individual awarded a bachelor's degree, in an amount equal to the comprehensive in-state tuition rate for 30 credits at the Vermont State Colleges during the individual's final year of enrollment, to be prorated over the five years following graduation.

(C) Loan forgiveness may be awarded on a prorated basis to an otherwise eligible Vermont resident who transfers to and is graduated from a Vermont postsecondary institution.

(4) Management.

(A) The Secretary of Commerce and Community Development shall develop all organizational details of the loan forgiveness program consistent with the purposes and requirements of this section.

(B) The Secretary shall enter into a memorandum of understanding with the Vermont Student Assistance Corporation for management of the loan forgiveness program.

(C) The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the Program.

(c) Vermont Strong Internship Program.

(1) Internship program management.

(A) The Commissioner of Labor and the Secretary of Commerce and Community Development shall jointly develop and implement the organizational details of the internship program consistent with the purposes and requirements of this section and may adopt rules pursuant to 3 V.S.A. chapter 25 necessary to implement the internship program.

(B) The Commissioner, in consultation with the Secretary, shall issue a request for proposals for a person to serve as an Internship Program Intermediary, who shall perform the duties and responsibilities pursuant to the terms of a performance contract negotiated by the Commissioner and the Intermediary.

(C) The Department of Labor, the Agency of Commerce and Community Development, the regional development corporations, and the Intermediary, shall have responsibility for building connections within the business community to ensure broad private sector participation in the internship program.

(D) The Program Intermediary shall:

(i) identify and foster postsecondary internships that are rigorous, productive, well-managed, and mentored;

(ii) cultivate relationships with employers, employer-focused organizations, and state and regional government bodies;

(iii) build relationships with Vermont postsecondary institutions and facilitate recruitment of students to apply for available internships;

(iv) create and maintain a registry of participating employers and associated internship opportunities;

(v) coordinate and provide support to the participating student, the employer, and the student's postsecondary institution;

(vi) develop and oversee a participation contract between each student and employer, including terms governing the expectations for the internship, a work plan, mentoring and supervision of the student, reporting by the employer and student, and compensation terms; and

(vii) carry out any additional activities and duties as directed by the Commissioner.

(2) Qualifying internships.

(A) Criteria. To qualify for participation in the internship program an internship shall at minimum:

(i) be with a Vermont employer as approved by the Intermediary in consultation with the Commissioner and Secretary;

(ii) pay compensation to an intern of at least the prevailing minimum wage; and

(iii) meet the quality standards and expectations as established by the Intermediary.

(B) Employment of interns. Interns shall be employed by the sponsoring employer except, with the approval of the Commissioner on a case-by-case basis, interns may be employed by the Intermediary and assigned to work with a participating Vermont employer, in which case the sponsoring employer shall contribute funds as determined by the Commissioner.

(3) Student eligibility. To participate in the internship program an individual shall be:

(A) a Vermont resident enrolled in a post-secondary institution in or outside Vermont;

(B) a student who graduated from a postsecondary institution within 24 months of entering the program who was classified as a Vermont resident during that schooling or who is a student who attended a post-secondary institution in Vermont; or

(C) a student enrolled in a Vermont post-secondary institution.

(d) Funding.

(1) Loan forgiveness program.

(A) Loan forgiveness; State funding.

(i) There is created a special fund to be known as the Vermont Strong Scholars Fund pursuant to 32 V.S.A. chapter 7, subchapter 5, which shall be used and administered by the Secretary of Commerce and Community Development solely for the purposes of loan forgiveness pursuant to this section.

(ii) The Fund shall consist of sums to be identified by the Secretary from any source accepted for the benefit of the Fund and interest earned from the investment of Fund balances.

(iii) Any interest earned and any remaining balance at the end of the fiscal year shall be carried forward in the Fund.

(iv) The availability and payment of loan forgiveness awards under this subdivision is subject to State funding available for the awards.

(B) Loan forgiveness; Vermont Student Assistance Corporation.

The Vermont Student Assistance Corporation shall have the authority to grant loan forgiveness pursuant to this section by using the private loan forgiveness capacity associated with bonds issued by the Corporation to raise funds for private loans that are eligible for forgiveness under this section, if available.

(2) Internship program. Notwithstanding any provision of law to the contrary, the Commissioner of Labor shall have the authority to use funds allocated to the Workforce Education and Training Fund established in 10 V.S.A. § 543 to implement the internship program created in this section.

Sec. 48. VERMONT STRONG INTERIM REPORT

On or before November 1, 2014, the Secretary of Commerce and Community Development shall report to the Joint Fiscal Committee on the

organizational and economic details of the Vermont Strong Scholars Initiative, including:

(1) the economic sectors selected for loan forgiveness;

(2) the projected annual cost of the Initiative,

(3) the proposed funding sources;

(4) programmatic proposals and economic projections on the feasibility and impacts of expanding eligibility for the loan forgiveness program to include Vermont residents who attend postsecondary institutions outside Vermont and out-of-state residents who attend Vermont postsecondary institutions; and

(5) the projected balance of the Vermont Strong Scholars Fund for each fiscal year through fiscal year 2018.

Sec. 49. VERMONT PRODUCTS PROGRAM; STUDY; REPORT

(a) On or before September 1, 2016, the Agency of Commerce and Community Development, after consulting with appropriate stakeholders, shall report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on creating a Vermont Products Program for the purpose of providing Vermont businesses with a means of promoting and marketing products and services that are manufactured, designed, engineered, or formulated in Vermont and avoiding confusion by consumers when the Vermont brand is used in marketing products or services.

(b) The report required by this section shall describe the method, feasibility, and cost of creating a Vermont Products Program that includes the following elements:

(1) The program shall include a licensing system that enables qualifying persons to make marketing claims concerning significant business activities occurring in Vermont, and to self-certify products and services that are manufactured, designed, engineered, or formulated in Vermont. Under this system, the Secretary shall identify and craft branding and marketing guidelines that concern whether and how qualifying products or services manufactured, designed, engineered, or formulated in Vermont can be properly claimed so as to be licensed. The licensing system shall permit an applicant to self-certify compliance with designated criteria and attest to the accuracy of claims authorized by the Secretary in order to obtain a license to advertise and promote a product or service using the licensed materials.

(2) The program may charge an annual fee for the issuance of the license.

(3) The program shall include an on-line application process that permits an applicant to obtain the license if he or she certifies compliance with criteria designated by the Secretary, attests to the accuracy of statements designated by the Secretary, and pays the required fee.

(4) Licenses issued under the program shall include a provision requiring that disputes regarding the license be resolved by alternative dispute resolution. A person who objects to the issuance of a license may file a complaint with the Secretary, who shall refer it for alternative dispute resolution as provided in the license.

(5) A special fund, comprising license fees and any monies appropriated by the General Assembly, may be created for the administration and advertising of the program.

(c) The report required by this section shall include a recommendation as to whether the Vermont Products Program should replace the rules regarding Vermont Origin adopted by the Attorney General.

(d) On or before February 1, 2015, the Secretary of Commerce and Community Development shall deliver testimony to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development on the status of the Vermont Products Program pursuant to this section.

* * * Workers' Compensation * * *

Sec. 50. 21 V.S.A. § 632 is amended to read:

§ 632. COMPENSATION TO DEPENDENTS; ~~DEATH BENEFITS~~
BURIAL AND FUNERAL EXPENSES

If death results from the injury, the employer shall pay to the persons entitled to compensation or, if there is none, then to the personal representative of the deceased employee, the actual burial and funeral expenses ~~in the amount of \$5,500.00~~ not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial ~~not to exceed \$1,000.00~~ \$5,000.00. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted. The employer shall also pay to or for the benefit of the following persons, for the periods prescribed in section 635 of this title, a weekly compensation equal to the following percentages of the deceased employee's average weekly wages. The weekly compensation payment herein allowed shall not exceed the maximum weekly compensation or be lower than the minimum weekly compensation:

* * *

Sec. 51. 21 V.S.A. § 639 is amended to read:

§ 639. DEATH, PAYMENT TO DEPENDENTS

In cases of the death of a person from any cause other than the accident during the period of payments for disability or for the permanent injury, the remaining payments for disability then due or for the permanent injury shall be made to the person's dependents according to the provisions of sections 635 and 636 of this title, or if there are none, the remaining amount due, but ~~not exceeding \$5,500.00 for burial and funeral expenses~~ no more than the actual burial and funeral expenses not to exceed \$10,000.00 and the actual expenses for out-of-state transportation of the decedent to the place of burial not to exceed \$1,000.00 \$5,000.00, shall be paid in a lump sum to the proper person. Every two years, the Commissioner of Labor shall evaluate the average burial and funeral expenses in the State and make a recommendation to the House Committee on Commerce and Economic Development and the Senate Committee on Finance as to whether an adjustment in compensation is warranted.

Sec. 52. 21 V.S.A. § 640c is added to read:

§ 640c. OPIOID USAGE DETERRENCE

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to protect employees from the dangers of prescription drug abuse while maintaining a balance between the employee's health and the employee's expedient return to work.

(b) As it pertains to workers' compensation claims, the Commissioner of Labor, in consultation with the Department of Health, the State Pharmacologist, the Vermont Board of Medical Practice, and the Vermont Medical Society, shall adopt rules consistent with the best practices governing the prescription of opioids, including patient screening, drug screening, and claim adjudication for patients prescribed opioids for chronic pain. In adopting rules, the Commissioner shall consider guidelines and standards such as the Occupational Medicine Practice Guidelines published by the American College of Occupational and Environmental Medicine and other medical authorities with expertise in the treatment of chronic pain. The rules shall be consistent with the standards and guidelines under 18 V.S.A. § 4289 and any rules adopted by the Department of Health pursuant to 18 V.S.A § 4289.

Sec. 53. 21 V.S.A. § 641 is amended to read:

§ 641. VOCATIONAL REHABILITATION

* * *

(e)(1) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly that, following a workplace accident, an employee return to work as soon as possible but remain cognizant of the limitations imposed by his or her medical condition.

(2) The Commissioner shall adopt rules promoting development and implementation of cost-effective, early return-to-work programs.

Sec. 54. 21 V.S.A. § 643a is amended to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of 14 days. The objection to the discontinuance shall be specific as to the reasons and include supporting evidence. A copy of the objection shall be provided to the employer at the time the request is made to the Commissioner. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that

establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 54a. REPEAL

21 V.S.A. § 643a shall be repealed on July 1, 2018.

Sec. 54b. 21 V.S.A. § 643a is added to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. Those payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 54c. STUDY; REPORT; DISCONTINUANCE OF BENEFITS

The Commissioner of Labor shall assess the financial and administrative impacts of the statutory revisions to 21 V.S.A. § 643a, as amended by this act, and on or before January 15, 2017 shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report addressing:

(1) whether the statutory revisions expedited the discontinuance process;

(2) whether the statutory revisions affected workers' compensation insurance rates;

(3) how many requests to discontinue benefits were received, acted on, the time required for action, and whether there was a subsequent order for reinstatement of benefits; and

(4) any other matters deemed relevant by the Commissioner.

Sec. 55. 21 V.S.A. § 691a is added to read:

§ 691a. POSTING OF SAFETY RECORDS

(a) In support of the State's fundamental interest in ensuring the well-being of employees and employers, it is the intent of the General Assembly to improve the safety experience in the workplace.

(b) An employer subject to the provisions of this chapter shall post a notice in the employer's place of business to advise employees of where they may review the employer's record of workplace safety, including workplace injury and illness data, in accordance with rules adopted by the Commissioner. The employer's record of workplace safety, including workplace injury and illness data, shall be available for review by employees at the employer's place of business and the Commissioner, but shall not otherwise be public information. The posting shall be in a format approved by the Commissioner. The posting may be in a format provided by the Commissioner.

Sec. 56. 21 V.S.A. § 696 is amended to read:

§ 696. CANCELLATION OF INSURANCE CONTRACTS

A policy or contract shall not be cancelled within the time ~~limited~~ specified in the policy or contract for its expiration, until at least 45 days after a notice of intention to cancel the policy or contract, on a date specified in the notice, has been filed in the office of the ~~commissioner~~ Commissioner and provided to the employer. The notice shall be filed with the Commissioner in accordance with rules adopted by the Commissioner and provided to the employer by certified mail ~~or certificate of mailing~~. The cancellation shall not affect the liability of an insurance carrier on account of an injury occurring prior to cancellation.

Sec. 57. 21 V.S.A. § 697 is amended to read:

§ 697. NOTICE OF INTENT NOT TO RENEW POLICY

An insurance carrier who does not intend to renew a workers' compensation insurance policy of ~~workers' compensation insurance~~ or guarantee contract covering the liability of an employer under the provisions of this chapter, ~~45 days prior to the expiration of the policy or contract,~~ shall give notice of ~~the its~~ intention to the ~~commissioner of labor~~ Commissioner and ~~to the covered employer~~ at least 45 days prior to the expiration date stated in the policy or contract. The notice shall be given to the employer by certified mail ~~or certificate of mailing.~~ An insurance carrier who fails to give notice shall continue the policy or contract in force beyond its expiration date for 45 days from the day the notice is received by the ~~commissioner~~ Commissioner and ~~the employer.~~ However, ~~this latter provision shall not apply if, prior to such expiration date,~~ on or before the expiration of the existing insurance or guarantee contract the insurance carrier has, by delivery of a renewal contract or otherwise, offered to continue the insurance ~~beyond the date by delivery of a renewal contract or otherwise,~~ or if the employer notifies the insurance carrier in writing that the employer does not wish the insurance continued beyond the expiration date, or if the employer complies with the provisions of section 687 of this title, ~~on or before the expiration of the existing insurance or guarantee contract~~ then the policy will expire upon notice to the Commissioner.

Sec. 58. ROBERT H. WOOD CRIMINAL JUSTICE AND FIRE SERVICE TRAINING CENTER STUDY

The Department of Labor and the Office of Risk Management, in consultation with the Vermont League of Cities and Towns and any other interested parties, shall conduct a study, to be submitted to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on or before January 15, 2015, to:

(1) analyze existing and frequently occurring injuries suffered by individuals while attending the Robert H. Wood Criminal Justice and Fire Service Training Center;

(2) analyze preventive measures to avoid injuries;

(3) recommend who should bear the financial burden of the workers' compensation premiums; and

(4) recommend preventive measures necessary to reduce injuries.

Sec. 59. WORKPLACE SAFETY RANKING STUDY

The Department of Labor and the Department of Financial Regulation, in consultation with the *National Council on Compensation Insurance*, shall

study whether information may be made available to employers to allow an employer to compare its workplace safety and workers' compensation experience with that of employers in similar industries or *North American Industry Classification System* codes.

Sec. 60. 2013 Acts and Resolves No. 75, Sec. 14 is amended as follows:

Sec. 14. UNIFIED PAIN MANAGEMENT SYSTEM ADVISORY COUNCIL

* * *

(b) The Unified Pain Management System Advisory Council shall consist of the following members:

* * *

(4) the Commissioner of Labor or designee;

(5) the Director of the Blueprint for Health or designee;

~~(5)~~(6) the Chair of the Board of Medical Practice or designee, who shall be a clinician;

~~(6)~~(7) a representative of the Vermont State Dental Society, who shall be a dentist;

~~(7)~~(8) a representative of the Vermont Board of Pharmacy, who shall be a pharmacist;

~~(8)~~(9) a faculty member of the academic detailing program at the University of Vermont's College of Medicine;

~~(9)~~(10) a faculty member of the University of Vermont's College of Medicine with expertise in the treatment of addiction or chronic pain management;

~~(10)~~(11) a representative of the Vermont Medical Society, who shall be a primary care clinician;

~~(11)~~(12) a representative of the American Academy of Family Physicians, Vermont chapter, who shall be a primary care clinician;

~~(12)~~(13) a representative from the Vermont Board of Osteopathic Physicians, who shall be an osteopath;

~~(13)~~(14) a representative of the Federally Qualified Health Centers, who shall be a primary care clinician selected by the Bi-State Primary Care Association;

~~(14)~~(15) a representative of the Vermont Ethics Network;

~~(15)~~(16) a representative of the Hospice and Palliative Care Council of Vermont;

~~(16)~~(17) a representative of the Office of the Health Care Ombudsman;

~~(17)~~(18) the Medical Director for the Department of Vermont Health Access;

~~(18)~~(19) a clinician who works in the emergency department of a hospital, to be selected by the Vermont Association of Hospitals and Health Systems in consultation with any nonmember hospitals;

~~(19)~~(20) a member of the Vermont Board of Nursing Subcommittee on APRN Practice, who shall be an advanced practice registered nurse;

~~(20)~~(21) a representative from the Vermont Assembly of Home Health and Hospice Agencies;

~~(21)~~(22) a psychologist licensed pursuant to 26 V.S.A. chapter 55 who has experience in treating chronic pain, to be selected by the Board of Psychological Examiners;

~~(22)~~(23) a drug and alcohol abuse counselor licensed pursuant to 33 V.S.A. chapter 8, to be selected by the Deputy Commissioner of Health for Alcohol and Drug Abuse Programs;

~~(23)~~(24) a retail pharmacist, to be selected by the Vermont Pharmacists Association;

~~(24)~~(25) an advanced practice registered nurse full-time faculty member from the University of Vermont's Department of Nursing; ~~and~~

~~(25)~~(26) a consumer representative who is either a consumer in recovery from prescription drug abuse or a consumer receiving medical treatment for chronic noncancer-related pain;

(27) a clinician who specializes in occupational medicine;

(28) a clinician who specializes in physical medicine and rehabilitation; and

(29) a consumer representative who is or has been an injured worker and has been prescribed opioids.

* * *

Sec. 61. 21 V.S.A. § 602 is amended to read:

§ 602. PROCESS AND PROCEDURE

* * *

(c) Any communication from an employer or an insurer to a claimant that is not otherwise required to be provided on a form prescribed by the Commissioner must include a statement advising the claimant that he or she should contact the Department of Labor's Workers' Compensation Division to determine any right to object or appeal, as provided by law, and to seek information from the Department on the process and procedures.

Sec. 62. 21 V.S.A. § 655 is amended to read:

§ 655. PROCEDURE IN OBTAINING COMPENSATION; MEDICAL EXAMINATION; VIDEO AND AUDIO RECORDING

After an injury and during the period of disability, if so requested by his or her employer, or ordered by the Commissioner, the employee shall submit to examination, at reasonable times and ~~places~~ within a two-hour driving radius of the residence of the injured employee, by a duly licensed physician or surgeon designated and paid by the employer. The Commissioner may in his or her discretion permit an examination outside the two-hour driving radius if it is necessary to obtain the services of a provider who specializes in the evaluation and treatment specific to the nature and extent of the employee's injury. The employee may make a video or audio recording of any examination performed by the insurer's physician or surgeon or have a licensed health care provider designated and paid by the employee present at the examination. The employer may make an audio recording of the examination. The right of the employee to record the examination shall not be construed to deny to the employer's physician the right to visit the injured employee at all reasonable times and under all reasonable conditions during total disability. If an employee refuses to submit to or in any way obstructs the examination, the employee's right to prosecute any proceeding under the provisions of this chapter shall be suspended until the refusal or obstruction ceases, and compensation shall not be payable for the period which the refusal or obstruction continues.

Sec. 63. 21 V.S.A. § 663b is added to read:

§ 663b. FRAUD

(a) Any claims of fraud submitted to the Department shall require action by the Commissioner to determine if further investigation is warranted. The Commissioner shall order the insurer to investigate specific allegations of claimant fraud and submit a written report to the Department. Once the insurer's report is received, the Commissioner shall afford the claimant an opportunity to respond in person or in writing within 30 days. The Commissioner may order additional information to be provided to the Department from the insurer or the claimant. The Department shall issue a determination on the fraud allegation, including penalties and any

reimbursement as provided under section 708 of this title. The party may appeal the decision of the Commissioner as provided under 3 V.S.A. chapter 25.

(b) An employee found to have committed fraud in order to receive compensation under this chapter shall be ordered to repay all compensation fraudulently received in addition to other administrative penalties ordered by the Department. These payments shall not be charged to the employer for purposes of calculating its experience rating.

Sec. 64. FRAUD STUDY AND REPORT

The Department shall initiate a study of the best practices to detect and deter workers' compensation fraud by employees, employers, and other persons involved with the workers' compensation system. The study shall include investigation procedures, penalties, and recapture of fraudulently obtained payments in a timely and cost-effective manner. On or before January 15, 2015, the Department shall report its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

Sec. 65. 21 V.S.A. § 624(e) is amended to read:

(e)(1) In an action to enforce the liability of a third party, the injured employee may recover any amount which the employee or the employee's personal representative would be entitled to recover in a civil action. Any recovery against the third party for damages resulting from personal injuries or death only, after deducting expenses of recovery, shall first reimburse the employer or its workers' compensation insurance carrier for any amounts paid or payable under this chapter to date of recovery, and the balance shall forthwith be paid to the employee or the employee's dependents or personal representative and shall be treated as an advance payment by the employer on account of any future payment of compensation benefits. Reimbursement required under this subsection, except to prevent double recovery, shall not reduce the employee's recovery of any benefit or payment provided by a plan or policy that was privately purchased by the injured employee, including ~~uninsured-under-insured~~ uninsured-underinsured motorist coverage, or any other first party insurance payments or benefits.

(2) Should the recovery against the third party for damages resulting from personal injuries or death only, after deducting expenses of recovery, be less than the full value of the claim for personal injuries or death, the reimbursement to the employer or workers' compensation insurance carrier shall be limited to that portion of the recovery allocated for damages covered by the Workers' Compensation Act. If a court has not allocated or the parties

cannot agree to the allocation of the recovered damages, either party may request that the Commissioner make an administrative determination. Upon receiving a request, the Commissioner shall order mediation with a mediator selected from a list approved by the Commissioner. If mediation is unsuccessful, the Commissioner may adjudicate the dispute or refer the dispute to an arbitrator approved by the Commissioner. The determination of the Commissioner or of an arbitrator approved by the Commissioner shall be final. The cost of any mediation or arbitration shall be split equally by the parties.

Sec. 66. 21 V.S.A. § 678 is amended to read:

§ 678. COSTS; ~~ATTORNEY~~ ATTORNEY'S FEES

(a) Necessary costs of proceedings under this chapter, including deposition expenses, subpoena fees, and expert witness fees, shall be assessed by the ~~commissioner~~ Commissioner against the employer or its workers' compensation carrier when the claimant prevails. The ~~commissioner~~ Commissioner may allow the claimant to recover reasonable ~~attorney~~ attorney's fees when the claimant prevails. Costs shall not be taxed or allowed either party except as provided in this section.

(b) In appeals to the ~~superior or supreme courts~~ Superior or Supreme Court, if the claimant prevails, he or she shall be entitled to reasonable ~~attorney~~ attorney's fees as approved by the ~~court~~ Court, necessary costs, including deposition expenses, subpoena fees, and expert witness fees, and interest at the rate of 12 percent per annum on that portion of any award the payment of which is contested. Interest shall be computed from the date of the award of the ~~commissioner~~ Commissioner.

* * *

* * * Notice of Data Security Breach * * *

Sec. 67. 9 V.S.A. § 2435(b)(4) is amended to read:

(4)(A) The notice to a consumer required by this subsection shall be delayed upon request of a law enforcement agency. A law enforcement agency may request the delay if it believes that notification may impede a law enforcement investigation, or a national or Homeland Security investigation or jeopardize public safety or national or Homeland Security interests. In the event law enforcement makes the request for a delay in a manner other than in writing, the data collector shall document such request contemporaneously in writing, including the name of the law enforcement officer making the request and the officer's law enforcement agency engaged in the investigation. A law enforcement agency shall promptly notify the data collector in writing when the law enforcement agency no longer believes that notification may impede a law enforcement investigation, or a national or Homeland Security

investigation or jeopardize public safety or national or Homeland Security interests. The data collector shall provide notice required by this section without unreasonable delay upon receipt of a written communication, which includes facsimile or electronic communication, from the law enforcement agency withdrawing its request for delay.

(B) A Vermont law enforcement agency with a reasonable belief that a security breach has or may have occurred at a specific business shall notify the business in writing of its belief. The agency shall also notify the business that additional information on the security breach may need to be furnished to the Office of the Attorney General or the Department of Financial Regulation and shall include the website and telephone number for the Office and the Department in the notice required by this subdivision. Nothing in this subdivision shall alter the responsibilities of a data collector under this section or provide a cause of action against a law enforcement agency that fails, without bad faith, to provide the notice required by this subdivision.

* * * Insurance; Form of Notice * * *

Sec. 68. 8 V.S.A. § 3666 is added to read:

§ 3666. RULES; METHODS OF NOTICE

Notwithstanding the requirements under sections 3883, 4226, and 4714 of this title, the Commissioner of Financial Regulation shall adopt rules specifying the methods by which a notice to a party required under section 3880, 3881, 4224, 4225, 4712, or 4713 of this title shall be given.

* * * Effective Dates * * *

Sec. 69. EFFECTIVE DATES

(a) This section, Secs. 28 (Public Service Board; order revision), 52, 53, 54c, and 58–66 (certain workers' compensation provisions) shall take effect on passage.

(b) Sec. 54b (reinstatement of current law governing discontinuance of workers' compensation insurance benefits) shall take effect on July 1, 2018.

(c) 16 V.S.A. § 2888(b)(3) (Vermont Strong loan forgiveness) in Sec. 47 shall take effect on July 1, 2015.

(d) 10 V.S.A. § 531(c) in Sec. 42 shall take effect on July 2, 2014.

(e) The remaining provisions of this act shall take effect on July 1, 2014.

KEVIN J. MULLIN
PHILIP E. BARUTH
CHRISTOPHER A. BRAY

Committee on the part of the Senate

*WILLIAM G. F. BOTZOW
WARREN F. KITZMILLER
MICHAEL J. MARCOTTE*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered delivered to the Governor forthwith.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Baruth, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

Lezak, Anne of Burlington - Member, Libraries, Board of - July 1, 2013, to February 28, 2017.

Cross, George of Winooski - Member, Community High School of Vermont Board - March 1, 2014, to February 28, 2017.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Bill Messaged

H. 501.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to operating a motor vehicle under the influence of alcohol or drugs.

Was taken up for immediate consideration.

Senator Nitka, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 501. An act relating to operating a motor vehicle under the influence of alcohol or drugs.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that

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

Sec. 1. 23 V.S.A. § 1201 is amended to read:

§ 1201. OPERATING VEHICLE UNDER THE INFLUENCE OF INTOXICATING LIQUOR OR OTHER SUBSTANCE; CRIMINAL REFUSAL; ENHANCED PENALTY FOR BAC OF 0.16 OR MORE

(a) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway:

(1) when the person's alcohol concentration is 0.08 or more, or 0.02 or more if the person is operating a school bus as defined in subdivision 4(34) of this title; or

(2) when the person is under the influence of intoxicating liquor; or

(3) when the person is under the influence of any other drug or under the combined influence of alcohol and any other drug ~~to a degree which renders the person incapable of driving safely~~; or

(4) when the person's alcohol concentration is 0.04 or more if the person is operating a commercial motor vehicle as defined in subdivision 4103(4) of this title.

* * *

(h) As used in subdivision (a)(3) of this section, "under the influence of a drug" means that a person's ability to operate a motor vehicle safely is diminished or impaired in the slightest degree. This subsection shall not be construed to affect the meaning of the term "under the influence of intoxicating liquor."

Sec. 2. DEPARTMENT OF PUBLIC SAFETY REPORTS; DRUG RECOGNITION EXPERTS

On or before November 1, 2015, the Department of Public Safety shall report to the Senate and House Committees on Judiciary on the use of drug recognition experts in cases involving operating a motor vehicle while under the influence of drugs. The report shall include the following:

(1) the number of motor vehicle stops made by law enforcement in Vermont during the period of July 1, 2014 to June 30, 2015 and accidents that occurred during that period in which the operator of the vehicle was suspected of driving under the influence of drugs;

(2) the number of times an operator of a motor vehicle involved in an accident or stopped by a law enforcement officer during the period of July 1, 2014 to June 30, 2015 was examined by a drug recognition expert and

the number of times, after examination by the drug recognition expert, that the operator was:

(A) charged with operating a motor vehicle under the influence of drugs;

(B) not charged with operating a motor vehicle under the influence of drugs; and

(C) convicted of operating a motor vehicle under the influence of drugs.

Sec. 3. NALTREXONE INJECTIONS; DEPARTMENT OF HEALTH STUDY

The Department of Health shall evaluate the feasibility, effectiveness, risks, and benefits of using an injectable form of the opioid antagonist naltrexone in the treatment of opioid addiction in Vermont, either instead of or in addition to the use of methadone and buprenorphine. On or before January 15, 2015, the Department shall report its findings and recommendations regarding the use of injectable naltrexone in Vermont's substance abuse treatment programs to the House Committees on Human Services and on Judiciary and the Senate Committees on Health and Welfare and on Judiciary.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

*ALICE W. NITKA
RICHARD W. SEARS
JOSEPH C. BENNING*

Committee on the part of the Senate

*LINDA J. WAITE-SIMPSON
THOMAS F. KOCH
DAVID E. POTTER*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; House Concurrent Resolution Adopted**H.C.R. 383.**

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House concurrence resolution entitled:

House concurrent resolution in memory of John C. Whitney of Georgia.

Was taken up for immediate consideration.

Thereupon, the concurrent resolution was adopted in concurrence.

Recess

On motion of Senator Baruth the Senate recessed until 4:15 P.M.

Called to Order

The Senate was called to order by the President.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment with further Proposal of Amendment; Rules Suspended; Bill Messaged**S. 221.**

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to providing statutory purposes for tax expenditures.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment to the House proposal of amendment with further amendment thereto as follows:

First: In Sec. 15, in 32 V.S.A. § 3800, by inserting a new subsection (c) to read:

(c) The statutory purpose of the exemption for college fraternities and societies in subdivision 3802(5) of this title is to promote civic services.

and by relettering the remaining subsections to be alphabetically correct.

Second: In Sec. 22 (repeals), by striking out subdivision (4) in its entirety.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment?, Senator Galbraith moved that the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of amendment with an amendment as follows:

First: In Sec. 15, 32 V.S.A. § 3800, in subsection (c), at the end of the subsection, by striking out the words “to promote civic services” and inserting in lieu thereof the words to provide a tax benefit to college fraternities and societies.

Second: By adding a new section to be Sec. 21a to read:

Sec. 21a. 32 V.S.A. § 3802(5) is amended to read:

(5) Real and personal property held by and for the benefit of college fraternities and societies and corporations owning such property, but this exemption shall not apply to property held for investment purposes. The exemption from taxation of real and personal property held by and for the benefit of college fraternities and societies and corporations owning such property shall not be construed as exempting lands, buildings, or property other than a fraternity or society house, the land occupied thereby, the land adjacent thereto and used as a lawn, playground, or garden, and the household furniture, and equipment in actual use in such fraternity or society house. In the event that a fraternity or society loses its charter from the affiliated national organization or university, the fraternity or society shall automatically and immediately be ineligible for the exemption.

Third: By adding a new section to be Sec. 21b to read:

Sec. 21b. Sec. 36(b) of H.735 of 2014 as enacted is amended to read:

(b) Secs. 31 and 32 (apiaries) shall take effect on ~~July 1, 2015~~ July 1, 2014.

Fourth: In Sec. 22 (repeals), by inserting a subdivision (4) to read:

(4) 32 V.S.A. § 3802(5) (college fraternities and societies exemption) is repealed on January 1, 2017.

Fifth: By striking out Sec. 23 (effective date) in its entirety and inserting in lieu thereof the following:

Sec. 23. EFFECTIVE DATES

This act shall take effect on July 1, 2014 except that:

(1) Sec. 22(2) (Repeals; limitation of tax on telecommunications) is repealed on January 1, 2015; and

(2) Sec. 22(4) (Repeals; fraternities and societies tax exemption) is repealed on January 1, 2017.

Which was agreed to.

Thereupon, on motion of Senator Baruth, the rules were suspended, and the bill was ordered messaged to the House forthwith.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate; Bill Messaged**

H. 885.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on House bill entitled:

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

Was taken up for immediate consideration.

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

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

H. 885. An act relating to making appropriations for the support of government.

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

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2015 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2015. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those which can be supported by funds appropriated in this act or other acts passed prior to June 30, 2014. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2015 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serve as the primary source and reference for appropriations for fiscal year 2015.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2015.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) "Encumbrances" means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) "Grants" means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) "Operating expenses" means property management, repair and maintenance, rental expenses, insurance, postage, travel, energy and utilities, office and other supplies, equipment, including motor vehicles, highway materials, and construction, expenditures for the purchase of land and construction of new buildings and permanent improvements, and similar items.

(4) "Personal services" means wages and salaries, fringe benefits, per diems, and contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2015, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept

federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2015, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2014 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2015 except for new positions authorized by the 2014 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>

<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain any amendments to the current fiscal year and the D sections contain fund transfers and reserve allocations for the upcoming budget year.

Sec. B.100 Secretary of administration - secretary's office

Personal services	3,659,604
Operating expenses	<u>224,103</u>
Total	3,883,707
Source of funds	
General fund	1,734,799
Interdepartmental transfers	<u>2,148,908</u>
Total	3,883,707

Sec. B.101 Secretary of administration - finance

Personal services	1,258,484
Operating expenses	<u>131,517</u>
Total	1,390,001
Source of funds	
Interdepartmental transfers	<u>1,390,001</u>
Total	1,390,001

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	1,200,543
Operating expenses	<u>273,822</u>
Total	1,474,365
Source of funds	
Internal service funds	<u>1,474,365</u>
Total	1,474,365

Sec. B.103 Secretary of administration - general liability insurance

Personal services	284,607
Operating expenses	<u>53,572</u>
Total	338,179
Source of funds	

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Internal service funds	<u>338,179</u>
Total	338,179
Sec. B.104 Secretary of administration - all other insurance	
Personal services	24,311
Operating expenses	<u>8,623</u>
Total	32,934
Source of funds	
Internal service funds	<u>32,934</u>
Total	32,934
Sec. B.104.1 Secretary of administration - VTHR operations	
Personal services	1,637,261
Operating expenses	<u>627,882</u>
Total	2,265,143
Source of funds	
Internal service funds	2,234,650
Interdepartmental transfers	<u>30,493</u>
Total	2,265,143
Sec. B.105 Information and innovation - communications and information technology	
Personal services	12,314,627
Operating expenses	8,915,522
Grants	<u>635,000</u>
Total	21,865,149
Source of funds	
Internal service funds	<u>21,865,149</u>
Total	21,865,149
Sec. B.106 Finance and management - budget and management	
Personal services	1,236,647
Operating expenses	<u>231,947</u>
Total	1,468,594
Source of funds	
General fund	1,076,522
Interdepartmental transfers	<u>392,072</u>
Total	1,468,594
Sec. B.107 Finance and management - financial operations	
Personal services	2,267,666
Operating expenses	<u>755,050</u>
Total	3,022,716

Source of funds	
Internal service funds	<u>3,022,716</u>
Total	3,022,716
Sec. B.108 Human resources - operations	
Personal services	6,378,740
Operating expenses	<u>853,986</u>
Total	7,232,726
Source of funds	
General fund	1,690,943
Special funds	244,912
Internal service funds	4,586,343
Interdepartmental transfers	<u>710,528</u>
Total	7,232,726
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,062,489
Operating expenses	<u>678,074</u>
Total	1,740,563
Source of funds	
Internal service funds	1,726,152
Interdepartmental transfers	<u>14,411</u>
Total	1,740,563
Sec. B.110 Libraries	
Personal services	2,163,447
Operating expenses	1,674,388
Grants	<u>61,336</u>
Total	3,899,171
Source of funds	
General fund	2,746,649
Special funds	127,021
Federal funds	926,413
Interdepartmental transfers	<u>99,088</u>
Total	3,899,171
Sec. B.111 Tax - administration/collection	
Personal services	13,319,740
Operating expenses	<u>3,821,985</u>
Total	17,141,725
Source of funds	
General fund	15,628,271
Special funds	1,370,888

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Interdepartmental transfers	<u>142,566</u>
Total	17,141,725
Sec. B.112 Buildings and general services - administration	
Personal services	641,951
Operating expenses	<u>113,569</u>
Total	755,520
Source of funds	
Interdepartmental transfers	<u>755,520</u>
Total	755,520
Sec. B.113 Buildings and general services - engineering	
Personal services	2,445,531
Operating expenses	<u>750,632</u>
Total	3,196,163
Source of funds	
Interdepartmental transfers	<u>3,196,163</u>
Total	3,196,163
Sec. B.114 Buildings and general services - information centers	
Personal services	3,268,518
Operating expenses	1,439,275
Grants	<u>33,000</u>
Total	4,740,793
Source of funds	
General fund	678,129
Transportation fund	3,983,398
Special funds	<u>79,266</u>
Total	4,740,793
Sec. B.115 Buildings and general services - purchasing	
Personal services	976,157
Operating expenses	<u>182,954</u>
Total	1,159,111
Source of funds	
General fund	<u>1,159,111</u>
Total	1,159,111
Sec. B.116 Buildings and general services - postal services	
Personal services	650,215
Operating expenses	<u>137,100</u>
Total	787,315
Source of funds	

General fund	79,157
Internal service funds	<u>708,158</u>
Total	787,315
Sec. B.117 Buildings and general services - copy center	
Personal services	690,354
Operating expenses	<u>141,619</u>
Total	831,973
Source of funds	
Internal service funds	<u>831,973</u>
Total	831,973
Sec. B.118 Buildings and general services - fleet management services	
Personal services	611,901
Operating expenses	<u>177,943</u>
Total	789,844
Source of funds	
Internal service funds	<u>789,844</u>
Total	789,844
Sec. B.119 Buildings and general services - federal surplus property	
Personal services	28,409
Operating expenses	<u>8,386</u>
Total	36,795
Source of funds	
Enterprise funds	<u>36,795</u>
Total	36,795
Sec. B.120 Buildings and general services - state surplus property	
Personal services	132,060
Operating expenses	<u>121,675</u>
Total	253,735
Source of funds	
Internal service funds	<u>253,735</u>
Total	253,735
Sec. B.121 Buildings and general services - property management	
Personal services	1,344,303
Operating expenses	<u>1,157,330</u>
Total	2,501,633
Source of funds	
Internal service funds	<u>2,501,633</u>
Total	2,501,633

Sec. B.122 Buildings and general services - fee for space	
Personal services	13,301,458
Operating expenses	<u>15,759,443</u>
Total	29,060,901
Source of funds	
Internal service funds	<u>29,060,901</u>
Total	29,060,901
Sec. B.123 Geographic information system	
Grants	<u>378,700</u>
Total	378,700
Source of funds	
Special funds	<u>378,700</u>
Total	378,700
Sec. B.124 Executive office - governor's office	
Personal services	1,265,598
Operating expenses	<u>445,038</u>
Total	1,710,636
Source of funds	
General fund	1,524,136
Interdepartmental transfers	<u>186,500</u>
Total	1,710,636
Sec. B.125 Legislative council	
Personal services	3,146,214
Operating expenses	<u>745,924</u>
Total	3,892,138
Source of funds	
General fund	<u>3,892,138</u>
Total	3,892,138
Sec. B.126 Legislature	
Personal services	3,630,491
Operating expenses	<u>3,414,026</u>
Total	7,044,517
Source of funds	
General fund	<u>7,044,517</u>
Total	7,044,517

Sec. B.127 Joint fiscal committee	
Personal services	1,412,776
Operating expenses	<u>117,381</u>
Total	1,530,157
Source of funds	
General fund	<u>1,530,157</u>
Total	1,530,157
Sec. B.128 Sergeant at arms	
Personal services	504,248
Operating expenses	<u>68,299</u>
Total	572,547
Source of funds	
General fund	<u>572,547</u>
Total	572,547
Sec. B.129 Lieutenant governor	
Personal services	151,116
Operating expenses	<u>29,854</u>
Total	180,970
Source of funds	
General fund	<u>180,970</u>
Total	180,970
Sec. B.130 Auditor of accounts	
Personal services	3,415,428
Operating expenses	<u>159,153</u>
Total	3,574,581
Source of funds	
General fund	396,846
Special funds	53,145
Internal service funds	<u>3,124,590</u>
Total	3,574,581
Sec. B.131 State treasurer	
Personal services	3,019,207
Operating expenses	<u>299,503</u>
Total	3,318,710
Source of funds	
General fund	993,468
Special funds	2,216,919
Interdepartmental transfers	<u>108,323</u>
Total	3,318,710

 Sec. B.132 State treasurer - unclaimed property

Personal services	878,109
Operating expenses	<u>261,084</u>
Total	1,139,193
Source of funds	
Private purpose trust funds	<u>1,139,193</u>
Total	1,139,193

Sec. B.133 Vermont state retirement system

Personal services	7,964,390
Operating expenses	<u>30,191,072</u>
Total	38,155,462
Source of funds	
Pension trust funds	<u>38,155,462</u>
Total	38,155,462

Sec. B.134 Municipal employees' retirement system

Personal services	2,596,930
Operating expenses	<u>577,701</u>
Total	3,174,631
Source of funds	
Pension trust funds	<u>3,174,631</u>
Total	3,174,631

Sec. B.135 State labor relations board

Personal services	184,811
Operating expenses	<u>43,512</u>
Total	228,323
Source of funds	
General fund	218,747
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	228,323

Sec. B.136 VOSHA review board

Personal services	37,200
Operating expenses	<u>12,010</u>
Total	49,210
Source of funds	
General fund	24,605
Interdepartmental transfers	<u>24,605</u>
Total	49,210

Sec. B.137 Homeowner rebate

Grants	<u>15,717,000</u>
Total	15,717,000
Source of funds	
General fund	<u>15,717,000</u>
Total	15,717,000

Sec. B.138 Renter rebate

Grants	<u>7,500,000</u>
Total	7,500,000
Source of funds	
General fund	2,670,000
Education fund	<u>4,830,000</u>
Total	7,500,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	<u>3,275,000</u>
Total	3,275,000
Source of funds	
Education fund	<u>3,275,000</u>
Total	3,275,000

Sec. B.140 Municipal current use

Grants	<u>14,000,000</u>
Total	14,000,000
Source of funds	
General fund	<u>14,000,000</u>
Total	14,000,000

Sec. B.141 Lottery commission

Personal services	1,876,533
Operating expenses	1,292,910
Grants	<u>150,000</u>
Total	3,319,443
Source of funds	
Enterprise funds	<u>3,319,443</u>
Total	3,319,443

Sec. B.142 Payments in lieu of taxes

Grants	<u>5,800,000</u>
Total	5,800,000
Source of funds	

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Special funds	<u>5,800,000</u>
Total	5,800,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	73,558,712
Transportation fund	3,983,398
Special funds	10,501,639
Education fund	8,105,000
Federal funds	926,413
Internal service funds	72,551,322
Interdepartmental transfers	9,201,966
Enterprise funds	3,356,238
Pension trust funds	41,330,093
Private purpose trust funds	<u>1,139,193</u>
Total	224,653,974
Sec. B.200 Attorney general	
Personal services	7,963,181
Operating expenses	<u>1,242,623</u>
Total	9,205,804
Source of funds	
General fund	4,332,106
Special funds	1,533,948
Tobacco fund	348,000
Federal funds	816,644
Interdepartmental transfers	<u>2,175,106</u>
Total	9,205,804

Sec. B.201 Vermont court diversion	
Grants	<u>1,916,483</u>
Total	1,916,483
Source of funds	
General fund	1,396,486
Special funds	<u>519,997</u>
Total	1,916,483
Sec. B.202 Defender general - public defense	
Personal services	9,172,266
Operating expenses	<u>1,013,318</u>
Total	10,185,584
Source of funds	
General fund	9,570,516
Special funds	<u>615,068</u>
Total	10,185,584
Sec. B.203 Defender general - assigned counsel	
Personal services	4,161,963
Operating expenses	<u>49,819</u>
Total	4,211,782
Source of funds	
General fund	4,188,298
Special funds	<u>23,484</u>
Total	4,211,782
Sec. B.204 Judiciary	
Personal services	33,471,779
Operating expenses	8,728,658
Grants	<u>70,000</u>
Total	42,270,437
Source of funds	
General fund	36,391,687
Special funds	2,598,672
Tobacco fund	39,871
Federal funds	858,811
Interdepartmental transfers	<u>2,381,396</u>
Total	42,270,437
Sec. B.205 State's attorneys	
Personal services	10,317,677
Operating expenses	<u>1,830,089</u>
Total	12,147,766

Source of funds	
General fund	9,628,628
Special funds	75,363
Federal funds	31,000
Interdepartmental transfers	<u>2,412,775</u>
Total	12,147,766
Sec. B.206 Special investigative unit	
Personal services	85,676
Grants	<u>1,589,162</u>
Total	1,674,838
Source of funds	
General fund	<u>1,674,838</u>
Total	1,674,838
Sec. B.207 Sheriffs	
Personal services	3,517,732
Operating expenses	<u>371,525</u>
Total	3,889,257
Source of funds	
General fund	<u>3,889,257</u>
Total	3,889,257
Sec. B.208 Public safety - administration	
Personal services	3,548,125
Operating expenses	2,457,095
Grants	<u>1,900,000</u>
Total	7,905,220
Source of funds	
General fund	2,986,248
Federal funds	3,877,825
Interdepartmental transfers	<u>1,041,147</u>
Total	7,905,220
Sec. B.209 Public safety - state police	
Personal services	49,899,602
Operating expenses	8,279,942
Grants	<u>820,000</u>
Total	58,999,544
Source of funds	
General fund	29,741,838
Transportation fund	22,750,000
Special funds	2,745,998

Federal funds	2,675,986
Interdepartmental transfers	<u>1,085,722</u>
Total	58,999,544
Sec. B.210 Public safety - criminal justice services	
Personal services	6,879,112
Operating expenses	<u>1,610,302</u>
Total	8,489,414
Source of funds	
General fund	6,091,507
Special funds	1,749,302
Federal funds	564,858
Interdepartmental transfers	<u>83,747</u>
Total	8,489,414
Sec. B.211 Public safety - emergency management and homeland security	
Personal services	3,582,129
Operating expenses	888,766
Grants	<u>15,137,210</u>
Total	19,608,105
Source of funds	
General fund	687,101
Federal funds	18,859,172
Interdepartmental transfers	<u>61,832</u>
Total	19,608,105
Sec. B.212 Public safety - fire safety	
Personal services	5,796,205
Operating expenses	1,916,612
Grants	<u>107,000</u>
Total	7,819,817
Source of funds	
General fund	672,618
Special funds	6,758,427
Federal funds	343,772
Interdepartmental transfers	<u>45,000</u>
Total	7,819,817
Sec. B.214 Radiological emergency response plan	
Personal services	571,875
Operating expenses	276,108
Grants	<u>1,256,649</u>
Total	2,104,632

Source of funds	
Special funds	<u>2,104,632</u>
Total	2,104,632
Sec. B.215 Military - administration	
Personal services	698,615
Operating expenses	360,393
Grants	<u>100,000</u>
Total	1,159,008
Source of funds	
General fund	<u>1,159,008</u>
Total	1,159,008
Sec. B.216 Military - air service contract	
Personal services	4,909,339
Operating expenses	<u>1,088,600</u>
Total	5,997,939
Source of funds	
General fund	463,123
Federal funds	<u>5,534,816</u>
Total	5,997,939
Sec. B.217 Military - army service contract	
Personal services	4,041,859
Operating expenses	<u>9,141,931</u>
Total	13,183,790
Source of funds	
General fund	144,854
Federal funds	<u>13,038,936</u>
Total	13,183,790
Sec. B.218 Military - building maintenance	
Personal services	966,804
Operating expenses	<u>464,405</u>
Total	1,431,209
Source of funds	
General fund	1,380,277
Federal funds	<u>50,932</u>
Total	1,431,209
Sec. B.219 Military - veterans' affairs	
Personal services	586,009
Operating expenses	126,009

Grants	<u>154,984</u>
Total	867,002
Source of funds	
General fund	754,984
Special funds	65,000
Federal funds	<u>47,018</u>
Total	867,002
Sec. B.220 Center for crime victim services	
Personal services	1,426,583
Operating expenses	278,836
Grants	<u>8,250,733</u>
Total	9,956,152
Source of funds	
General fund	1,208,747
Special funds	4,875,409
Federal funds	<u>3,871,996</u>
Total	9,956,152
Sec. B.221 Criminal justice training council	
Personal services	1,366,969
Operating expenses	<u>1,239,853</u>
Total	2,606,822
Source of funds	
General fund	2,365,241
Interdepartmental transfers	<u>241,581</u>
Total	2,606,822
Sec. B.222 Agriculture, food and markets - administration	
Personal services	1,238,029
Operating expenses	248,162
Grants	<u>305,034</u>
Total	1,791,225
Source of funds	
General fund	1,040,127
Special funds	466,399
Federal funds	<u>284,699</u>
Total	1,791,225
Sec. B.223 Agriculture, food and markets - food safety and consumer protection	
Personal services	3,180,467
Operating expenses	755,482

Grants	<u>2,600,000</u>
Total	6,535,949
Source of funds	
General fund	2,289,170
Special funds	3,374,114
Federal funds	831,737
Global Commitment fund	34,006
Interdepartmental transfers	<u>6,922</u>
Total	6,535,949
Sec. B.224 Agriculture, food and markets - agricultural development	
Personal services	1,095,075
Operating expenses	678,620
Grants	<u>2,170,275</u>
Total	3,943,970
Source of funds	
General fund	2,499,902
Special funds	915,846
Federal funds	415,587
Interdepartmental transfers	<u>112,635</u>
Total	3,943,970
Sec. B.225 Agriculture, food and markets - laboratories, agricultural resource management and environmental stewardship	
Personal services	4,220,329
Operating expenses	927,514
Grants	<u>1,238,231</u>
Total	6,386,074
Source of funds	
General fund	2,472,419
Special funds	2,358,755
Federal funds	1,142,878
Global Commitment fund	56,272
Interdepartmental transfers	<u>355,750</u>
Total	6,386,074
Sec. B.226 Financial regulation - administration	
Personal services	1,794,130
Operating expenses	<u>163,454</u>
Total	1,957,584
Source of funds	
Special funds	<u>1,957,584</u>
Total	1,957,584

Sec. B.227 Financial regulation - banking	
Personal services	1,502,310
Operating expenses	<u>304,782</u>
Total	1,807,092
Source of funds	
Special funds	<u>1,807,092</u>
Total	1,807,092
Sec. B.228 Financial regulation - insurance	
Personal services	6,360,027
Operating expenses	<u>526,831</u>
Total	6,886,858
Source of funds	
Special funds	5,196,858
Federal funds	1,369,989
Interdepartmental transfers	<u>320,011</u>
Total	6,886,858
Sec. B.229 Financial regulation - captive insurance	
Personal services	3,831,831
Operating expenses	<u>479,808</u>
Total	4,311,639
Source of funds	
Special funds	<u>4,311,639</u>
Total	4,311,639
Sec. B.230 Financial regulation - securities	
Personal services	500,118
Operating expenses	<u>170,924</u>
Total	671,042
Source of funds	
Special funds	<u>671,042</u>
Total	671,042
Sec. B.232 Secretary of state	
Personal services	8,171,691
Operating expenses	2,089,440
Grants	<u>20,000</u>
Total	10,281,131
Source of funds	
Special funds	7,895,931
Federal funds	2,310,200

Interdepartmental transfers	<u>75,000</u>
Total	10,281,131
Sec. B.233 Public service - regulation and energy	
Personal services	12,834,281
Operating expenses	943,498
Grants	<u>5,895,202</u>
Total	19,672,981
Source of funds	
Special funds	18,684,328
Federal funds	712,951
ARRA funds	238,000
Enterprise funds	<u>37,702</u>
Total	19,672,981
Sec. B.234 Public service board	
Personal services	2,941,140
Operating expenses	<u>457,936</u>
Total	3,399,076
Source of funds	
Special funds	<u>3,399,076</u>
Total	3,399,076
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	3,435,547
Operating expenses	284,283
Grants	<u>885,000</u>
Total	4,604,830
Source of funds	
Special funds	<u>4,604,830</u>
Total	4,604,830
Sec. B.236 Human rights commission	
Personal services	413,945
Operating expenses	<u>85,870</u>
Total	499,815
Source of funds	
General fund	426,510
Federal funds	<u>73,305</u>
Total	499,815

Sec. B.237 Liquor control - administration

Personal services	3,408,532
Operating expenses	<u>641,367</u>
Total	4,049,899
Source of funds	
Enterprise funds	<u>4,049,899</u>
Total	4,049,899

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,229,505
Operating expenses	<u>488,303</u>
Total	2,717,808
Source of funds	
Special funds	28,225
Tobacco fund	218,444
Federal funds	254,841
Interdepartmental transfers	88,000
Enterprise funds	<u>2,128,298</u>
Total	2,717,808

Sec. B.239 Liquor control - warehousing and distribution

Personal services	917,474
Operating expenses	<u>456,047</u>
Total	1,373,521
Source of funds	
Enterprise funds	<u>1,373,521</u>
Total	1,373,521

Sec. B.240 Total protection to persons and property

Source of funds	
General fund	127,455,490
Transportation fund	22,750,000
Special funds	79,337,019
Tobacco fund	606,315
Federal funds	57,967,953
ARRA funds	238,000
Global Commitment fund	90,278
Interdepartmental transfers	10,486,624
Enterprise funds	<u>7,589,420</u>
Total	306,521,099

 Sec. B.300 Human services - agency of human services - secretary's office

Personal services	10,644,482
Operating expenses	3,796,083
Grants	<u>6,994,658</u>
Total	21,435,223
Source of funds	
General fund	7,332,772
Special funds	91,017
Tobacco fund	224,698
Federal funds	10,077,015
Global Commitment fund	415,000
Interdepartmental transfers	<u>3,294,721</u>
Total	21,435,223

Sec. B.301 Secretary's office - global commitment

Operating expenses	5,340,670
Grants	<u>1,327,708,491</u>
Total	1,333,049,161
Source of funds	
General fund	194,995,109
Special funds	24,058,084
Tobacco fund	33,031,032
State health care resources fund	268,592,899
Federal funds	812,332,037
Interdepartmental transfers	<u>40,000</u>
Total	1,333,049,161

Sec. B.302 Rate setting

Personal services	879,023
Operating expenses	<u>98,596</u>
Total	977,619
Source of funds	
Global Commitment fund	<u>977,619</u>
Total	977,619

Sec. B.303 Developmental disabilities council

Personal services	225,453
Operating expenses	67,012
Grants	<u>248,388</u>
Total	540,853
Source of funds	

Federal funds	<u>540,853</u>
Total	540,853
Sec. B.304 Human services board	
Personal services	740,493
Operating expenses	<u>89,986</u>
Total	830,479
Source of funds	
General fund	126,534
Federal funds	388,686
Interdepartmental transfers	<u>315,259</u>
Total	830,479
Sec. B.305 AHS - administrative fund	
Personal services	350,000
Operating expenses	<u>4,650,000</u>
Total	5,000,000
Source of funds	
Interdepartmental transfers	<u>5,000,000</u>
Total	5,000,000
Sec. B.306 Department of Vermont health access - administration	
Personal services	145,699,406
Operating expenses	4,210,327
Grants	<u>21,143,239</u>
Total	171,052,972
Source of funds	
General fund	1,330,489
Special funds	3,626,895
Federal funds	95,548,406
Global Commitment fund	60,399,052
Interdepartmental transfers	<u>10,148,130</u>
Total	171,052,972
Sec. B.307 Department of Vermont health access - Medicaid program - global commitment	
Grants	<u>651,883,597</u>
Total	651,883,597
Source of funds	
Global Commitment fund	<u>651,883,597</u>
Total	651,883,597

 Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver

Grants	<u>206,894,740</u>
Total	206,894,740
Source of funds	
General fund	90,092,886
Federal funds	<u>116,801,854</u>
Total	206,894,740

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>45,213,819</u>
Total	45,213,819
Source of funds	
General fund	32,906,820
Global Commitment fund	<u>12,306,999</u>
Total	45,213,819

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>45,783,374</u>
Total	45,783,374
Source of funds	
General fund	19,344,908
Federal funds	<u>26,438,466</u>
Total	45,783,374

Sec. B.311 Health - administration and support

Personal services	6,429,497
Operating expenses	3,086,498
Grants	<u>3,465,000</u>
Total	12,980,995
Source of funds	
General fund	2,267,507
Special funds	1,019,232
Federal funds	5,420,656
Global Commitment fund	<u>4,273,600</u>
Total	12,980,995

Sec. B.312 Health - public health

Personal services	35,272,377
Operating expenses	7,190,703

Grants	<u>38,929,747</u>
Total	81,392,827
Source of funds	
General fund	8,276,959
Special funds	13,028,733
Tobacco fund	2,461,377
Federal funds	36,996,383
Global Commitment fund	19,502,019
Interdepartmental transfers	1,102,356
Permanent trust funds	<u>25,000</u>
Total	81,392,827
Sec. B.313 Health - alcohol and drug abuse programs	
Personal services	3,614,712
Operating expenses	391,758
Grants	<u>32,577,910</u>
Total	36,584,380
Source of funds	
General fund	3,110,943
Special funds	442,829
Tobacco fund	1,386,234
Federal funds	8,736,090
Global Commitment fund	22,558,284
Interdepartmental transfers	<u>350,000</u>
Total	36,584,380
Sec. B.314 Mental health - mental health	
Personal services	28,187,222
Operating expenses	3,426,492
Grants	<u>186,128,035</u>
Total	217,741,749
Source of funds	
General fund	1,760,478
Special funds	429,904
Federal funds	5,137,194
Global Commitment fund	210,394,173
Interdepartmental transfers	<u>20,000</u>
Total	217,741,749
Sec. B.316 Department for children and families - administration & support services	
Personal services	42,102,235
Operating expenses	10,054,038

Grants	<u>1,322,998</u>
Total	53,479,271
Source of funds	
General fund	19,615,093
Special funds	638,986
Federal funds	16,162,050
Global Commitment fund	16,495,072
Interdepartmental transfers	<u>568,070</u>
Total	53,479,271
Sec. B.317 Department for children and families - family services	
Personal services	24,160,528
Operating expenses	3,521,433
Grants	<u>65,367,916</u>
Total	93,049,877
Source of funds	
General fund	22,985,020
Special funds	1,691,637
Federal funds	26,286,550
Global Commitment fund	41,920,616
Interdepartmental transfers	<u>166,054</u>
Total	93,049,877
Sec. B.318 Department for children and families - child development	
Personal services	3,540,292
Operating expenses	435,820
Grants	<u>70,339,626</u>
Total	74,315,738
Source of funds	
General fund	34,431,403
Special funds	1,820,000
Federal funds	26,781,807
Global Commitment fund	<u>11,282,528</u>
Total	74,315,738
Sec. B.319 Department for children and families - office of child support	
Personal services	9,479,790
Operating expenses	<u>4,080,498</u>
Total	13,560,288
Source of funds	
General fund	3,371,006
Special funds	455,718
Federal funds	9,345,964

Interdepartmental transfers	<u>387,600</u>
Total	13,560,288
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	1,915,532
Grants	<u>11,477,094</u>
Total	13,392,626
Source of funds	
General fund	9,642,626
Global Commitment fund	<u>3,750,000</u>
Total	13,392,626
Sec. B.321 Department for children and families - general assistance	
Grants	<u>10,283,816</u>
Total	10,283,816
Source of funds	
General fund	8,480,025
Federal funds	1,111,320
Global Commitment fund	<u>692,471</u>
Total	10,283,816
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	<u>27,575,722</u>
Total	27,575,722
Source of funds	
Federal funds	<u>27,575,722</u>
Total	27,575,722
Sec. B.323 Department for children and families - reach up	
Operating expenses	226,675
Grants	<u>49,091,105</u>
Total	49,317,780
Source of funds	
General fund	19,143,717
Special funds	22,096,676
Federal funds	5,702,987
Global Commitment fund	<u>2,374,400</u>
Total	49,317,780

 Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	<u>23,351,664</u>
Total	23,351,664
Source of funds	
General fund	6,000,000
Federal funds	<u>17,351,664</u>
Total	23,351,664

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	276,378
Operating expenses	29,421
Grants	<u>5,331,662</u>
Total	5,637,461
Source of funds	
General fund	1,723,191
Special funds	57,990
Federal funds	3,652,465
Global Commitment fund	<u>203,815</u>
Total	5,637,461

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	255,552
Operating expenses	52,098
Grants	<u>10,629,344</u>
Total	10,936,994
Source of funds	
Special funds	9,936,994
Federal funds	<u>1,000,000</u>
Total	10,936,994

Sec. B.327 Department for children and families - Woodside rehabilitation center

Personal services	3,876,220
Operating expenses	<u>692,591</u>
Total	4,568,811
Source of funds	
General fund	863,579
Global Commitment fund	3,650,340
Interdepartmental transfers	<u>54,892</u>
Total	4,568,811

Sec. B.328 Department for children and families - disability determination services

Personal services	4,887,459
Operating expenses	<u>494,927</u>
Total	5,382,386
Source of funds	
Federal funds	5,151,322
Global Commitment fund	<u>231,064</u>
Total	5,382,386

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	27,405,835
Operating expenses	<u>4,438,345</u>
Total	31,844,180
Source of funds	
General fund	8,869,530
Special funds	1,390,457
Federal funds	12,337,350
Global Commitment fund	6,712,988
Interdepartmental transfers	<u>2,533,855</u>
Total	31,844,180

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>21,622,625</u>
Total	21,622,625
Source of funds	
General fund	8,306,069
Federal funds	7,640,264
Global Commitment fund	5,463,209
Interdepartmental transfers	<u>213,083</u>
Total	21,622,625

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	<u>1,481,457</u>
Total	1,481,457
Source of funds	
General fund	364,064
Special funds	223,450
Federal funds	648,943

Global Commitment fund	<u>245,000</u>
Total	1,481,457
Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation	
Grants	<u>8,795,971</u>
Total	8,795,971
Source of funds	
General fund	1,535,695
Special funds	70,000
Federal funds	4,062,389
Global Commitment fund	7,500
Interdepartmental transfers	<u>3,120,387</u>
Total	8,795,971
Sec. B.333 Disabilities, aging, and independent living - developmental services	
Grants	<u>180,588,711</u>
Total	180,588,711
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	180,000,266
Interdepartmental transfers	<u>58,000</u>
Total	180,588,711
Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver	
Grants	<u>5,065,064</u>
Total	5,065,064
Source of funds	
Global Commitment fund	<u>5,065,064</u>
Total	5,065,064
Sec. B.335 Corrections - administration	
Personal services	2,127,142
Operating expenses	<u>226,070</u>
Total	2,353,212
Source of funds	
General fund	<u>2,353,212</u>
Total	2,353,212

Sec. B.336 Corrections - parole board	
Personal services	238,111
Operating expenses	<u>80,803</u>
Total	318,914
Source of funds	
General fund	<u>318,914</u>
Total	318,914
Sec. B.337 Corrections - correctional education	
Personal services	3,809,009
Operating expenses	<u>530,774</u>
Total	4,339,783
Source of funds	
Education fund	3,804,425
Interdepartmental transfers	<u>535,358</u>
Total	4,339,783
Sec. B.338 Corrections - correctional services	
Personal services	98,146,904
Operating expenses	20,761,932
Grants	<u>9,518,149</u>
Total	128,426,985
Source of funds	
General fund	121,196,652
Special funds	483,963
Federal funds	470,962
Global Commitment fund	5,879,093
Interdepartmental transfers	<u>396,315</u>
Total	128,426,985
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>12,553,629</u>
Total	12,553,629
Source of funds	
General fund	<u>12,553,629</u>
Total	12,553,629
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	510,933
Operating expenses	<u>345,501</u>
Total	856,434
Source of funds	

Special funds	<u>856,434</u>
Total	856,434
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,170,139
Operating expenses	<u>548,231</u>
Total	1,718,370
Source of funds	
Internal service funds	<u>1,718,370</u>
Total	1,718,370
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	16,592,891
Operating expenses	<u>4,910,682</u>
Total	21,503,573
Source of funds	
General fund	2,817,331
Special funds	10,360,890
Federal funds	7,914,366
Global Commitment fund	<u>410,986</u>
Total	21,503,573
Sec. B.343 Commission on women	
Personal services	258,272
Operating expenses	<u>90,702</u>
Total	348,974
Source of funds	
General fund	343,974
Special funds	<u>5,000</u>
Total	348,974
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	151,096
Source of funds	
General fund	<u>151,096</u>
Total	151,096
Sec. B.345 Green Mountain Care Board	
Personal services	7,454,787
Operating expenses	369,860
Grants	<u>477,000</u>
Total	8,301,647

Source of funds	
General fund	635,193
Special funds	1,557,079
Global Commitment fund	2,626,782
Interdepartmental transfers	<u>3,482,593</u>
Total	8,301,647
Sec. B.346 Total human services	
Source of funds	
General fund	647,401,549
Special funds	94,357,431
Tobacco fund	37,103,341
State health care resources fund	268,592,899
Education fund	3,804,425
Federal funds	1,291,973,622
Global Commitment fund	1,269,721,537
Internal service funds	1,718,370
Interdepartmental transfers	31,786,673
Permanent trust funds	<u>25,000</u>
Total	3,646,484,847
Sec. B.400 Labor - programs	
Personal services	24,664,021
Operating expenses	4,921,135
Grants	<u>1,781,435</u>
Total	31,366,591
Source of funds	
General fund	3,036,896
Special funds	3,363,869
Federal funds	23,902,400
Interdepartmental transfers	<u>1,063,426</u>
Total	31,366,591
Sec. B.401 Total labor	
Source of funds	
General fund	3,036,896
Special funds	3,363,869
Federal funds	23,902,400
Interdepartmental transfers	<u>1,063,426</u>
Total	31,366,591

 Sec. B.500 Education - finance and administration

Personal services	7,720,192
Operating expenses	2,467,828
Grants	<u>15,591,200</u>
Total	25,779,220
Source of funds	
General fund	3,134,289
Special funds	16,915,247
Education fund	1,163,360
Federal funds	3,674,129
Global Commitment fund	<u>892,195</u>
Total	25,779,220

Sec. B.501 Education - education services

Personal services	14,147,448
Operating expenses	1,780,412
Grants	<u>123,918,147</u>
Total	139,846,007
Source of funds	
General fund	5,967,798
Special funds	3,463,696
Federal funds	130,390,263
Interdepartmental transfers	<u>24,250</u>
Total	139,846,007

Sec. B.502 Education - special education: formula grants

Grants	<u>173,292,153</u>
Total	173,292,153
Source of funds	
Education fund	<u>173,292,153</u>
Total	173,292,153

Sec. B.503 Education - state-placed students

Grants	<u>16,900,000</u>
Total	16,900,000
Source of funds	
Education fund	<u>16,900,000</u>
Total	16,900,000

Sec. B.504 Education - adult education and literacy

Grants	<u>7,351,468</u>
Total	7,351,468

Source of funds	
General fund	787,995
Education fund	5,800,000
Federal funds	<u>763,473</u>
Total	7,351,468
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,258,535,630</u>
Total	1,258,535,630
Source of funds	
Education fund	<u>1,258,535,630</u>
Total	1,258,535,630
Sec. B.506 Education - transportation	
Grants	<u>17,163,059</u>
Total	17,163,059
Source of funds	
Education fund	<u>17,163,059</u>
Total	17,163,059
Sec. B.507 Education - small school grants	
Grants	<u>7,650,000</u>
Total	7,650,000
Source of funds	
Education fund	<u>7,650,000</u>
Total	7,650,000
Sec. B.508 Education - capital debt service aid	
Grants	<u>126,000</u>
Total	126,000
Source of funds	
Education fund	<u>126,000</u>
Total	126,000
Sec. B.509 Education - tobacco litigation	
Personal services	109,523
Operating expenses	32,599
Grants	<u>624,419</u>
Total	766,541
Source of funds	
Tobacco fund	<u>766,541</u>
Total	766,541

Sec. B.510 Education - essential early education grant	
Grants	<u>6,296,479</u>
Total	6,296,479
Source of funds	
Education fund	<u>6,296,479</u>
Total	6,296,479
Sec. B.511 Education - technical education	
Grants	<u>13,708,162</u>
Total	13,708,162
Source of funds	
Education fund	<u>13,708,162</u>
Total	13,708,162
Sec. B.512 Education - Act 117 cost containment	
Personal services	1,090,293
Operating expenses	144,697
Grants	<u>91,000</u>
Total	1,325,990
Source of funds	
Special funds	<u>1,325,990</u>
Total	1,325,990
Sec. B.513 Appropriation and transfer to education fund	
Grants	<u>295,816,793</u>
Total	295,816,793
Source of funds	
General fund	<u>295,816,793</u>
Total	295,816,793
Sec. B.514 State teachers' retirement system	
Personal services	8,461,967
Operating expenses	1,250,497
Grants	<u>72,857,163</u>
Total	82,569,627
Source of funds	
General fund	72,857,163
Pension trust funds	<u>9,712,464</u>
Total	82,569,627

 Sec. B.515 Retired teachers' health care and medical benefits

Operating expenses	<u>28,600,000</u>
Total	28,600,000
Source of funds	
General fund	8,252,007
Special funds	2,500,000
Retired Teachers' Health Fund	<u>17,847,993</u>
Total	28,600,000

Sec. B.516 Total general education

Source of funds	
General fund	386,816,045
Special funds	24,204,933
Tobacco fund	766,541
Education fund	1,500,634,843
Retired Teachers' Health Fund	17,847,993
Federal funds	134,827,865
Global Commitment fund	892,195
Interdepartmental transfers	24,250
Pension trust funds	<u>9,712,464</u>
Total	2,075,727,129

Sec. B.600 University of Vermont

Grants	<u>42,701,407</u>
Total	42,701,407
Source of funds	
General fund	38,655,190
Global Commitment fund	<u>4,046,217</u>
Total	42,701,407

Sec. B.601 Vermont Public Television

Grants	<u>553,160</u>
Total	553,160
Source of funds	
General fund	<u>553,160</u>
Total	553,160

Sec. B.602 Vermont state colleges

Grants	<u>24,421,966</u>
Total	24,421,966
Source of funds	
General fund	<u>24,421,966</u>
Total	24,421,966

Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.604 Vermont interactive technology	
Grants	<u>817,341</u>
Total	817,341
Source of funds	
General fund	<u>817,341</u>
Total	817,341
Sec. B.605 Vermont student assistance corporation	
Grants	<u>19,511,514</u>
Total	19,511,514
Source of funds	
General fund	<u>19,511,514</u>
Total	19,511,514
Sec. B.606 New England higher education compact	
Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	84,791,486
Global Commitment fund	<u>4,455,678</u>
Total	89,247,164

 Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	3,214,228
Operating expenses	2,021,823
Grants	<u>45,510</u>
Total	5,281,561
Source of funds	
General fund	5,038,028
Special funds	19,395
Federal funds	20,000
Interdepartmental transfers	<u>204,138</u>
Total	5,281,561

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	<u>2,351,821</u>
Total	2,351,821
Source of funds	
General fund	1,930,321
Interdepartmental transfers	<u>421,500</u>
Total	2,351,821

Sec. B.702 Fish and wildlife - support and field services

Personal services	14,971,049
Operating expenses	4,972,074
Grants	<u>1,038,000</u>
Total	20,981,123
Source of funds	
General fund	4,982,851
Special funds	30,000
Fish and wildlife fund	8,531,727
Federal funds	7,251,045
Interdepartmental transfers	184,000
Permanent trust funds	<u>1,500</u>
Total	20,981,123

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,228,919
Operating expenses	621,465
Grants	<u>1,777,791</u>
Total	3,628,175
Source of funds	
General fund	1,150,762
Special funds	1,307,878

Federal funds	<u>1,169,535</u>
Total	3,628,175
Sec. B.704 Forests, parks and recreation - forestry	
Personal services	5,008,653
Operating expenses	662,242
Grants	<u>500,700</u>
Total	6,171,595
Source of funds	
General fund	3,839,095
Special funds	975,000
Federal funds	1,200,000
Interdepartmental transfers	<u>157,500</u>
Total	6,171,595
Sec. B.705 Forests, parks and recreation - state parks	
Personal services	6,622,664
Operating expenses	<u>2,385,995</u>
Total	9,008,659
Source of funds	
General fund	651,211
Special funds	<u>8,357,448</u>
Total	9,008,659
Sec. B.706 Forests, parks and recreation - lands administration	
Personal services	459,738
Operating expenses	<u>1,203,292</u>
Total	1,663,030
Source of funds	
General fund	415,075
Special funds	179,205
Federal funds	1,050,000
Interdepartmental transfers	<u>18,750</u>
Total	1,663,030
Sec. B.707 Forests, parks and recreation - youth conservation corps	
Grants	<u>522,702</u>
Total	522,702
Source of funds	
General fund	50,320
Special funds	188,382
Federal funds	94,000

Interdepartmental transfers	<u>190,000</u>
Total	522,702
Sec. B.708 Forests, parks and recreation - forest highway maintenance	
Personal services	94,000
Operating expenses	<u>85,925</u>
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925
Sec. B.709 Environmental conservation - management and support services	
Personal services	5,232,473
Operating expenses	1,145,813
Grants	<u>111,280</u>
Total	6,489,566
Source of funds	
General fund	770,576
Special funds	536,222
Federal funds	448,450
Interdepartmental transfers	<u>4,734,318</u>
Total	6,489,566
Sec. B.710 Environmental conservation - air and waste management	
Personal services	9,672,744
Operating expenses	8,317,152
Grants	<u>2,095,254</u>
Total	20,085,150
Source of funds	
General fund	405,741
Special funds	16,173,706
Federal funds	3,412,703
Interdepartmental transfers	<u>93,000</u>
Total	20,085,150
Sec. B.711 Environmental conservation - office of water programs	
Personal services	15,704,693
Operating expenses	4,934,124
Grants	<u>2,144,694</u>
Total	22,783,511
Source of funds	
General fund	8,203,517
Special funds	6,540,910

Federal funds	6,985,254
Interdepartmental transfers	<u>1,053,830</u>
Total	22,783,511
Sec. B.712 Environmental conservation - tax-loss Connecticut river flood control	
Operating expenses	<u>34,700</u>
Total	34,700
Source of funds	
General fund	3,470
Special funds	<u>31,230</u>
Total	34,700
Sec. B.713 Natural resources board	
Personal services	2,454,016
Operating expenses	<u>390,742</u>
Total	2,844,758
Source of funds	
General fund	827,770
Special funds	<u>2,016,988</u>
Total	2,844,758
Sec. B.714 Total natural resources	
Source of funds	
General fund	28,448,662
Special funds	36,356,364
Fish and wildlife fund	8,531,727
Federal funds	21,630,987
Interdepartmental transfers	7,057,036
Permanent trust funds	<u>1,500</u>
Total	102,026,276
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	2,103,508
Operating expenses	637,521
Grants	<u>3,204,570</u>
Total	5,945,599
Source of funds	
General fund	3,075,599
Special funds	2,000,000
Federal funds	800,000

Interdepartmental transfers	<u>70,000</u>
Total	5,945,599
Sec. B.801 Economic development	
Personal services	3,291,085
Operating expenses	708,712
Grants	<u>2,047,203</u>
Total	6,047,000
Source of funds	
General fund	4,655,650
Special funds	730,350
Federal funds	<u>661,000</u>
Total	6,047,000
Sec. B.802 Housing & community development	
Personal services	6,713,952
Operating expenses	833,582
Grants	<u>2,323,345</u>
Total	9,870,879
Source of funds	
General fund	2,374,468
Special funds	4,975,188
Federal funds	2,256,223
Interdepartmental transfers	<u>265,000</u>
Total	9,870,879
Sec. B.803 Historic sites - special improvements	
Operating expenses	<u>13,000</u>
Total	13,000
Source of funds	
Special funds	<u>13,000</u>
Total	13,000
Sec. B.804 Community development block grants	
Grants	<u>14,974,489</u>
Total	14,974,489
Source of funds	
Federal funds	<u>14,974,489</u>
Total	14,974,489
Sec. B.805 Downtown transportation and capital improvement fund	
Personal services	87,746
Grants	<u>296,220</u>

Total	383,966
Source of funds	
Special funds	<u>383,966</u>
Total	383,966
Sec. B.806 Tourism and marketing	
Personal services	1,178,755
Operating expenses	1,900,439
Grants	<u>221,500</u>
Total	3,300,694
Source of funds	
General fund	3,200,694
Interdepartmental transfers	<u>100,000</u>
Total	3,300,694
Sec. B.807 Vermont life	
Personal services	762,108
Operating expenses	<u>68,585</u>
Total	830,693
Source of funds	
Enterprise funds	<u>830,693</u>
Total	830,693
Sec. B.808 Vermont council on the arts	
Grants	<u>651,723</u>
Total	651,723
Source of funds	
General fund	<u>651,723</u>
Total	651,723
Sec. B.809 Vermont symphony orchestra	
Grants	<u>142,626</u>
Total	142,626
Source of funds	
General fund	<u>142,626</u>
Total	142,626
Sec. B.810 Vermont historical society	
Grants	<u>919,184</u>
Total	919,184
Source of funds	
General fund	<u>919,184</u>
Total	919,184

Sec. B.811 Vermont housing and conservation board	
Grants	<u>29,241,812</u>
Total	29,241,812
Source of funds	
Special funds	15,950,936
Federal funds	<u>13,290,876</u>
Total	29,241,812
Sec. B.812 Vermont humanities council	
Grants	<u>220,138</u>
Total	220,138
Source of funds	
General fund	<u>220,138</u>
Total	220,138
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	15,240,082
Special funds	24,053,440
Federal funds	31,982,588
Interdepartmental transfers	435,000
Enterprise funds	<u>830,693</u>
Total	72,541,803
Sec. B.900 Transportation - finance and administration	
Personal services	10,044,881
Operating expenses	2,273,283
Grants	<u>275,000</u>
Total	12,593,164
Source of funds	
Transportation fund	11,570,784
Federal funds	<u>1,022,380</u>
Total	12,593,164
Sec. B.901 Transportation - aviation	
Personal services	3,481,513
Operating expenses	16,290,006
Grants	<u>177,000</u>
Total	19,948,519
Source of funds	
Transportation fund	5,192,205

Federal funds	<u>14,756,314</u>
Total	19,948,519
Sec. B.902 Transportation - buildings	
Operating expenses	<u>2,760,000</u>
Total	2,760,000
Source of funds	
Transportation fund	1,060,000
TIB fund	<u>1,700,000</u>
Total	2,760,000
Sec. B.903 Transportation - program development	
Personal services	42,916,407
Operating expenses	270,586,371
Grants	<u>23,125,586</u>
Total	336,628,364
Source of funds	
Transportation fund	40,704,471
TIB fund	14,897,087
Federal funds	277,542,839
Interdepartmental transfers	1,817,041
Local match	<u>1,666,926</u>
Total	336,628,364
Sec. B.904 Transportation - rest areas construction	
Operating expenses	<u>850,000</u>
Total	850,000
Source of funds	
Transportation fund	355,000
Federal funds	<u>495,000</u>
Total	850,000
Sec. B.905 Transportation - maintenance state system	
Personal services	39,757,772
Operating expenses	40,317,145
Grants	<u>120,000</u>
Total	80,194,917
Source of funds	
Transportation fund	78,792,117
Federal funds	1,302,800
Interdepartmental transfers	<u>100,000</u>
Total	80,194,917

Sec. B.906 Transportation - policy and planning	
Personal services	4,297,708
Operating expenses	1,603,439
Grants	<u>5,197,417</u>
Total	11,098,564
Source of funds	
Transportation fund	2,121,421
Federal funds	8,726,143
Interdepartmental transfers	<u>251,000</u>
Total	11,098,564
Sec. B.907 Transportation - rail	
Personal services	5,127,808
Operating expenses	31,852,434
Grants	<u>357,029</u>
Total	37,337,271
Source of funds	
Transportation fund	14,088,993
TIB fund	2,720,000
Federal funds	<u>20,528,278</u>
Total	37,337,271
Sec. B.908 Transportation - public transit	
Personal services	1,055,679
Operating expenses	111,413
Grants	<u>28,679,829</u>
Total	29,846,921
Source of funds	
Transportation fund	8,473,293
Federal funds	<u>21,373,628</u>
Total	29,846,921
Sec. B.909 Transportation - central garage	
Personal services	4,384,259
Operating expenses	<u>15,815,967</u>
Total	20,200,226
Source of funds	
Internal service funds	<u>20,200,226</u>
Total	20,200,226

 Sec. B.910 Department of motor vehicles

Personal services	16,104,305
Operating expenses	<u>9,316,770</u>
Total	25,421,075
Source of funds	
Transportation fund	23,985,937
Federal funds	<u>1,435,138</u>
Total	25,421,075

Sec. B.911 Transportation - town highway structures

Grants	<u>6,333,500</u>
Total	6,333,500
Source of funds	
Transportation fund	<u>6,333,500</u>
Total	6,333,500

Sec. B.912 Transportation - town highway local technical assistance program

Grants	<u>400,000</u>
Total	400,000
Source of funds	
Transportation fund	235,000
Federal funds	<u>165,000</u>
Total	400,000

Sec. B.913 Transportation - town highway class 2 roadway

Grants	<u>7,248,750</u>
Total	7,248,750
Source of funds	
Transportation fund	<u>7,248,750</u>
Total	7,248,750

Sec. B.914 Transportation - town highway bridges

Personal services	4,250,000
Operating expenses	12,032,361
Grants	<u>200,000</u>
Total	16,482,361
Source of funds	
Transportation fund	1,663,224
TIB fund	578,000
Federal funds	13,315,652
Local match	<u>925,485</u>
Total	16,482,361

Sec. B.915 Transportation - town highway aid program

Grants	<u>25,982,744</u>
Total	25,982,744
Source of funds	
Transportation fund	<u>25,982,744</u>
Total	25,982,744

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Grants	<u>1,440,000</u>
Total	1,440,000
Source of funds	
Transportation fund	160,000
Federal funds	<u>1,280,000</u>
Total	1,440,000

Sec. B.919 Transportation - municipal mitigation grant program

Grants	<u>871,500</u>
Total	871,500
Source of funds	
Transportation fund	440,000
Federal funds	204,500
Interdepartmental transfers	<u>227,000</u>
Total	871,500

Sec. B.920 Transportation - public assistance grant program

Grants	<u>48,630,222</u>
Total	48,630,222
Source of funds	

Special funds	3,630,222
Federal funds	<u>45,000,000</u>
Total	48,630,222
Sec. B.921 Transportation board	
Personal services	185,248
Operating expenses	<u>31,652</u>
Total	216,900
Source of funds	
Transportation fund	<u>216,900</u>
Total	216,900
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	229,903,089
TIB fund	19,895,087
Special funds	3,630,222
Federal funds	407,147,672
Internal service funds	20,200,226
Interdepartmental transfers	2,395,041
Local match	<u>2,592,411</u>
Total	685,763,748
Sec. B.1000 Debt service	
Operating expenses	<u>71,791,440</u>
Total	71,791,440
Source of funds	
General fund	65,401,531
Transportation fund	2,094,555
TIB debt service fund	2,502,313
Special funds	632,940
ARRA funds	<u>1,160,101</u>
Total	71,791,440
Sec. B.1001 Total debt service	
Source of funds	
General fund	65,401,531
Transportation fund	2,094,555
TIB debt service fund	2,502,313
Special funds	632,940
ARRA funds	<u>1,160,101</u>
Total	71,791,440

Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2015, \$3,293,000 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

(1) Workforce education and training. The amount of \$1,377,500 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$817,500 is transferred to the Vermont Workforce Education and Training Fund created in 10 V.S.A. § 543 and subsequently appropriated to the Department of Labor for workforce education and training. Up to seven percent of the funds may be used for administration of the program. Of this amount, \$350,000 shall be allocated for competitive grants for internships through the Vermont Career Internship Program pursuant to 10 V.S.A. § 544.

(B) Adult Technical Education Programs. The amount of \$360,000 is appropriated to the Department of Labor in consultation with the State Workforce Investment Board. This appropriation is for the purpose of awarding competitive grants to regional technical centers and high schools to provide adult technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.

(C) The amount of \$200,000 is appropriated to the Agency of Commerce and Community Development to issue performance grants to the University of Vermont and the Vermont Center for Emerging Technologies for patent development and commercialization of technology and to enhance the development of high technology businesses and Next Generation employment opportunities throughout Vermont.

(2) Loan repayment. The amount of \$330,000 as follows:

(A) Health care loan repayment. The amount of \$300,000 is appropriated to the Agency of Human Services – Global Commitment for the Department of Health to use for health care loan repayment. The Department shall use these funds for a grant to the Area Health Education Centers (AHEC) for repayment of commercial or governmental loans for postsecondary health-care-related education or training owed by persons living and working in Vermont in the health care field.

(B) Large animal veterinarians' loan forgiveness. The amount of \$30,000 is appropriated to the Agency of Agriculture, Food and Markets for a loan forgiveness program for large animal veterinarians pursuant to 6 V.S.A. § 20.

(3) Scholarships and grants. The amount of \$1,444,500 as follows:

(A) Nondegree VSAC grants. The amount of \$494,500 is appropriated to the Vermont Student Assistance Corporation. These funds shall be for the purpose of providing nondegree grants to Vermonters to improve job skills and increase overall employability, enabling them to enroll in a postsecondary education or training program, including adult technical education that is not part of a degree or accredited certificate program. A portion of these funds shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of these funds shall be used for administrative overhead.

(B) National Guard Educational Assistance. The amount of \$150,000 is appropriated to Military – administration to be transferred to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856.

(C) Dual enrollment programs. The amount of \$800,000 is appropriated to the Vermont State Colleges for dual enrollment programs consistent with 2013 Acts and Resolves No. 77. The State Colleges shall develop a voucher program that will allow Vermont students to attend programs at a postsecondary institution other than the State College system when the student will be better served at a non-State college or when available programs are not geographically suited to student need.

(4) Science Technology Engineering and Math (STEM) incentive. The amount of \$141,000 is appropriated to the Agency of Commerce and Community Development for an incentive payment pursuant to 2011 Acts and Resolves No. 52, Sec. 6.

Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR FISCAL YEAR 2016 NEXT GENERATION FUND DISTRIBUTION

(a) The Department of Labor, in coordination with the Agency of Commerce and Community Development, the Agency of Human Services, and the Agency of Education, and in consultation with the State Workforce Investment Board, shall recommend to the Governor no later than November 1, 2014 how \$3,293,000 from the Next Generation Fund should be allocated or appropriated in fiscal year 2016 to provide maximum benefit to workforce education and training, participation in secondary or postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The Department of Labor shall promote actively and publicly the availability of these funds to eligible entities that have not previously been funded.

Sec. B.1101 ONE-TIME ELECTIONS EXPENSE APPROPRIATION

(a) In fiscal year 2015, there is appropriated to the Secretary of State for 2014 primary and general elections:

<u>General Fund</u>	<u>\$400,000</u>
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Sec. B.1102 FISCAL YEAR 2015 APPROPRIATION REDUCTION DUE TO DII ASSESSMENT REDUCTION

(a) To reflect adjustments to budgets due to DII assessment adjustments, the Secretary of Administration is authorized to reduce operating expense appropriations by \$143,000 in general funds.

Sec. B.1103 SECRETARY OF ADMINISTRATION; FISCAL YEAR 2015 EFFICIENCY AND ENHANCEMENT SAVINGS

(a) The Secretary of Administration shall reduce appropriations and make transfers to the General Fund for a total of \$1,500,000, within the Executive Branch of State government from savings from efficiency and enhancement initiatives. The Secretary shall report to the Joint Fiscal Committee in November 2014 on the reductions and transfers identified.

Sec. B.1104 FISCAL YEAR 2015 APPROPRIATION: WOOD PRODUCTS MANUFACTURE INCENTIVE

(a) In fiscal year 2015, \$150,000 is appropriated from the General Fund to the Department of Finance and Management to implement the provisions of Sec. E.100.6 of this act.

Sec. C.100 FISCAL YEAR 2014 FUND TRANSFERS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2014, the following amounts shall be transferred to the General Fund from the funds indicated:

<u>(1) Fire Prevention Building Inspection Fund #21901</u>	<u>3,200,000</u>
<u>(2) Act 250 Permit Fund #21260</u>	<u>100,000</u>

Sec. C.101 REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2014, \$30,000 shall revert to the General Fund from the Sergeant at Arms (#1230001000).

Sec. C.102 LEGAL AID HOMEOWNER ASSISTANCE ALLOCATION

(a) Of the funds appropriated to the Secretary of Administration in fiscal year 2013 under the provision of 32 V.S.A. § 308c(a)(3), \$50,000 shall be granted to Vermont Legal Aid to fund legal services for homeowners facing foreclosure.

Sec. C.103 2013 Acts and Resolves No. 50, Sec. C.100.1(b) is amended to read:

(b) ~~The Secretary of State is authorized to expend up to \$50,000 from the Vermont Campaign Fund~~ Secretary of State Services Fund during fiscal year ~~2013~~ 2014 for development costs for campaign finance system development expenditures. ~~The Secretary of State shall report to the Joint Fiscal Committee at its September 2013 meeting on the use of these funds.~~

Sec. C.104 [DELETED]

Sec. C.105 COST ALLOCATION; SECRETARY OF COMMERCE AND COMMUNITY DEVELOPMENT

(a) The Department of Vermont Health Access shall ensure the appropriate funds are transferred to the Agency of Commerce and Community Development for Agency costs related to the time and expense of the Secretary of Commerce and Community Development allocated for work for the Department of Vermont Health Access in fiscal year 2014.

(b) At the close of fiscal year 2014, the Agency of Commerce and Community Development shall transfer \$50,000 of General Fund to the Agency of Human Services – Global Commitment appropriation, which shall be carried forward to be used as State match for Global Commitment expenditures during fiscal year 2015.

Sec. C.106 FISCAL YEAR 2014 SUPPLEMENTAL ONE-TIME APPROPRIATIONS

(a) The following appropriations are made from the General Fund in 2014:

(1) To the Treasurer for deposit in fiscal year 2015 in the Vermont Retired Teachers' Health and Medical Benefits Fund: \$300,000

(2) To the Department of Public Safety for the replacement of vehicles, up to \$100,000 these funds may be used for the drug task force upon written report the joint fiscal committee: \$1,400,000

(3) To Center for Crime Victims Services to be carried forward for fiscal year 2015 funding needs: \$697,000

(4) To the Joint Fiscal Office for analysis of the transition of the health care system: \$600,000

(5) To the Agency of Human Services – Global Commitment for traumatic brain injury program analysis: \$22,000

(6) To the Department of Public Safety for information technology, software, and equipment expenses: \$572,000

(7) To the Department of Corrections to be carried forward to fiscal year 2015 for correctional services funding needs: \$8,300,000

(8) To the Treasurer for the expense related to the cost of a Public Retirement Plan Study as defined in Sec. C.108 of this act: \$5,000

(9) To the Legislature for training and expenses related to data-based information to be used by the General Assembly to determine how well State government is working toward achieving the population-level outcomes that have been put in place to measure Vermont's quality of life. This work will be done in conjunction with the activities of the State Chief Performance Officer: \$10,000

(10) To the Legislature for per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 and for legal and other support services for the Committee on Child Protection established in Sec. C.109 of this act: \$20,000

(11) To the Department for Children and Families for a grant to Prevent Child Abuse Vermont: \$25,000

(12) To the Department of State's Attorneys and Sheriffs for providing compensation for a pilot "on call" payment program for Deputy State's Attorneys. The Executive Director of the Department of State's Attorneys and Sheriffs shall provide a written report to the Joint Fiscal Committee in July 2014 regarding the conditions under which these funds can be accessed and the procedures put in place to ensure that the use of these funds comport with the conditions identified: \$25,000

(13) To the Agency of Agriculture, Food and Markets which in collaboration with the Agency of Commerce and Community Development and the Chief Marketing Officer, shall create a Domestic Export Program Pilot Project within the "Made in Vermont" designation program. The purpose of which shall be to connect Vermont producers with brokers, buyers, and distributors in other U.S. state and regional markets, and to provide technical and marketing assistance to Vermont producers to convert these connections into increased sales and sustainable commercial relationships: \$50,000

(14) To the Department of Housing and Community Development for a public outreach and information program in order to provide information to landlords and tenants regarding their rights and responsibilities under the law. Particularly, the Department shall provide information to landlords renting only one or two units regarding landlord tenant law and the eviction process: \$30,000

Sec. C.106.1 FLOOD-RELATED PAYMENT

(a) Appropriated from the General Fund in fiscal year 2014 to the Agency of Commerce and Community Development for a grant to Latchis Arts Inc. This grant is for payment for qualified expenditures resulting from damage caused by a federally declared disaster in Vermont in 2011 as defined in 32 V.S.A. § 5930bb(d) that would be awarded as a tax credit to an individual:

\$88,000

Sec. C.106.2 FISCAL YEAR 2014 ECONOMIC DEVELOPMENT TRANSFERS

(a) In fiscal year 2014, \$5,000,000 shall be transferred from the General Fund as follows to the Vermont Enterprise Fund and is appropriated from the Vermont Enterprise Fund as follows:

(1) \$500,000 to Vermont Economic Development Authority for loan loss reserves within the Vermont Entrepreneurial Lending Program for the purposes specified in 10 V.S.A. § 280bb as amended by Sec. F.100 of this act;

(2) \$4,500,000 for the purposes specified in Sec. E.100.5 of this act.

Sec C.106.3 FISCAL YEAR 2014 HIGHER EDUCATION TRUST FUND CONTRIBUTIONS

(a) In fiscal year 2014, prior to depositing any funds into the Higher Education Trust Fund pursuant to 16 V.S.A. § 2885(a)(2), of the funds that would otherwise be deposited into that Fund, the following shall take place:

(1) The sum of \$1,000,000 of the funds shall be reserved and held for use by the Vermont Department of Health as a match for a four-year federal grant for which the Department is applying that would supplement the existing Vermont educational loan repayment program for health care professionals. The funds shall be appropriated in the budget adjustment process as necessary to meet match requirements of the grant. This action is to take advantage of federal funds that will help address a shortage of medical professionals in Vermont by creating loan repayment resources. In the event that the grant cited in subsection (a) of this section is not received, the funds shall be deposited into the Higher Education Trust Fund in accordance with 16 V.S.A. § 2885(a)(2) and subdivisions (2) and (3) of this subsection.

(2) Sufficient funds shall be reserved in the General Fund Balance Reserve created under 32 V.S.A. § 308c to ensure a balance of \$5,000,000 in this fund at the close of fiscal year 2014.

(3) After any actions pursuant to subdivisions (1) and (2) of this subsection, the remainder shall be deposited consistent with 16 V.S.A. § 2885(a)(2). However, any amounts above \$10,000,000 that would be deposited into the

Higher Education Trust Fund in accordance with this subsection shall instead be reserved in the General Fund Balance Reserve.

Sec. C.107 [DELETED]

Sec. C.108 INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING A PUBLIC RETIREMENT PLAN

(a) Creation of Committee. There is created a Public Retirement Plan Study Committee to evaluate the feasibility of establishing a public retirement plan.

(b) Membership. The Public Retirement Plan Study Committee shall be composed of seven members as follows:

(1) the State Treasurer or designee;

(2) the Commissioner of Labor or designee;

(3) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(4) an individual with private sector experience in the area of providing retirement products and financial services to small businesses, to be appointed by the Speaker;

(5) an individual with experience or expertise in the area of the financial needs of an aging population, to be appointed by the Committee on Committees;

(6) a representative of employers, to be appointed by the Speaker; and

(7) a representative of employees who currently lack access to employer-sponsored retirement plans, to be appointed by the Committee on Committees.

(c) Powers and duties.

(1)(A) The Committee shall study the feasibility of establishing a public retirement plan, including the following:

(i) the access Vermont residents currently have to employer-sponsored retirement plans and the types of employer-sponsored retirement plans;

(ii) data and estimates on the amount of savings and resources Vermont residents will need for a financially secure retirement;

(iii) data and estimates on the actual amount of savings and resources Vermont residents will have for retirement, and whether those savings and resources will be sufficient for a financially secure retirement;

(iv) current incentives to encourage retirement savings, and the effectiveness of those incentives;

(v) whether other states have created a public retirement plan and the experience of those states;

(vi) whether there is a need for a public retirement plan in Vermont;

(vii) whether a public retirement plan would be feasible and effective in providing for a financially secure retirement for Vermont residents;

(viii) other programs or incentives the State could pursue in combination with a public retirement plan or, instead of such a plan, in order to encourage residents to save and prepare for retirement; and

(B) If the Committee determines that a public retirement plan is necessary, feasible, and effective, the Committee shall study:

(i) potential models for the structure, management, organization, administration, and funding of such a plan;

(ii) how to ensure that the plan is available to private sector employees who are not covered by an alternative retirement plan;

(iii) how to build enrollment to a level that enrollee costs can be lowered;

(iv) whether such a plan should impose any obligation or liability upon private sector employers; and

(v) any other issue the Committee deems relevant.

(2) The Committee shall have the assistance of the staff of the Office of the Treasurer, the Department of Labor, and the Department of Disabilities, Aging, and Independent Living.

(d) Report. By January 15, 2015, the Committee shall report to the General Assembly its findings and any recommendations for legislative action. In its report, the Committee shall state its findings as to every factor set forth in subdivision (c)(1)(A) of this section, whether it recommends that a public retirement plan be created, and the reasons for that recommendation. If the Committee recommends that a public retirement plan be created, the Committee's report shall include specific recommendations as to the factors listed in subdivision (c)(1)(B) of this section.

(e) Meetings; term of Committee; chair. The Committee may meet no more than six times and shall cease to exist on January 15, 2015. The State Treasurer shall serve as Chair of the Committee and shall call the first meeting.

(f) Reimbursement. For attendance at meetings, members of the Committee who are not employees of the State of Vermont shall be reimbursed at the per diem rate set in 32 V.S.A. § 1010 and shall be reimbursed for mileage and travel expenses.

Sec. C.109 COMMITTEE ON CHILD PROTECTION

(a) There is created a Committee on Child Protection. The Committee shall be composed of nine members. Seven members of the Committee shall be members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees. The Committee on Committees shall designate two Senators to serve as Co-Chairs of the Committee. Two members of the Committee shall be members of the House of Representatives; one shall be the Chair of the Committee on Judiciary or designee, and the other shall be the Chair of the Committee on Human Services or designee.

(b) The Committee shall investigate and evaluate Vermont's current system of child protection for the purpose of protecting children from abuse and neglect, including:

(1) examining Vermont's laws, policies, and procedures and evaluating whether those laws, policies, and procedures are effective in protecting children;

(2) comparing Vermont's laws, policies, and procedures to those in other jurisdictions and to best practices in the area of child protection;

(3) understanding how federal requirements shape Vermont's laws, policies, and procedures in the child protection system;

(4) examining whether the departments, agencies, branches, and entities that are responsible for child protection cooperate and are effectively fulfilling their role in the child protection system;

(5) examining whether specific crimes or incidents reveal shortcomings in current laws, policies, and procedures in how the current system operates. In doing so, the Committee shall not interfere in any ongoing investigations;

(6) examining how the child protection system operates in different parts of the State and whether similar cases or allegations are handled differently. If the Committee determines that similar cases or allegations are handled differently, the Committee shall examine the reasons for, and results of, those differences;

(7) determining whether legislative or other changes are necessary to improve the child protection system.

(c) The Committee may conduct hearings and may administer oaths to, and examine under oath, any person. The Committee shall have the power, by a majority vote of the Committee, to issue subpoenas to compel the attendance and testimony of witnesses, and the production of books, papers, records, and documents.

(d) Notwithstanding any other provision of law to the contrary, the Committee may receive records that are confidential, privileged, or the release of which is restricted under law. All State agencies and departments shall provide such records to the Committee upon request. Any such records obtained by the Committee shall be exempt from public inspection and copying, shall be kept confidential by the Committee, and shall not be disclosed.

(e) No person who is an employee of the State of Vermont, or of any State, local, county, and municipal department, agency, or entity involved in child protection, and who testifies before, supplies information to, or cooperates with the Committee's investigation shall be subject to retaliation by his or her employer. Retaliation shall include job termination, demotion in rank, reduction in pay, alteration in duties and responsibilities, transfer, or a negative job performance evaluation based on the person's having testified before, supplied information to, or cooperated with the Committee.

(f) The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council. The Committee may retain additional legal and other services as necessary.

(g) On or before January 6, 2015, the Committee shall report to the General Assembly its findings and any recommendations for legislative action.

(h) The Committee may meet no more than ten times, unless additional meetings are determined to be necessary by the Co-Chairs and approved by the President Pro Tempore of the Senate and Speaker of the House. The Co-Chairs shall call the first meeting of the Committee, and the Committee may hold hearings at whichever locations the Co-Chairs determine to be appropriate. A majority of the members of the Committee shall be physically present at the same location to constitute a quorum. A member may vote only if physically present at the meeting and action shall be taken only if there is both a quorum and a majority vote of all members of the Committee members physically present and voting.

(i) The Committee shall cease to exist on January 6, 2015.

(j) For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$518,000 is appropriated from the Property Valuation and Review Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$518,000 from the property transfer tax that are deposited into the Property Valuation and Review Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$15,154,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. § 312, amounts above \$15,154,840 from the property transfer tax that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(3) The sum of \$3,779,661 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$3,779,661 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,779,661 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$476,544 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);

(C) \$378,700 to the Vermont Center for Geographic Information.

Sec. D.101 FUND TRANSFERS AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) from the General Fund to the:

(A) Communications and Information Technology Internal Service Fund established by 22 V.S.A. § 902a: \$185,000.

(B) Next Generation Initiative Fund established by 16 V.S.A. § 2887: \$3,293,000.

(C) Facilities Operations Fund established in 29 V.S.A. § 160a: \$1,693,408.

(2) from the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$383,966.

(3) from the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund for the purpose of funding transportation infrastructure bonds debt service to fund fiscal year 2016 transportation infrastructure bonds debt service: \$2,504,913.

(4) from the Universal Service Fund to the Communications and Information Technology Internal Service Fund established by 22 V.S.A. § 902a: \$450,000.

Sec. D.102 TOBACCO LITIGATION SETTLEMENT FUND BALANCE

(a) Notwithstanding 18 V.S.A. § 9502(b), the actual balances at the end of fiscal year 2014 in the Tobacco Litigation Settlement Fund shall remain for appropriation in fiscal year 2015.

Sec. D.103 TRANSFER OF TOBACCO TRUST FUNDS

(a) Notwithstanding 18 V.S.A. § 9502(a)(3) and (4), the actual amount of investment earnings of the Tobacco Trust Fund at the end of fiscal year 2015 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2015 is not negative shall be transferred from the Tobacco Trust Fund to the Tobacco Litigation Settlement Fund in fiscal year 2015.

Sec. D.104 32 V.S.A. § 308c is amended to read:

§ 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE RESERVES

(a) There is hereby created within the General Fund a General Fund Balance Reserve, also known as the “rainy day reserve.” After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve. The General Fund Balance Reserve shall not exceed five percent of the appropriations from the General Fund for the prior fiscal year without legislative authorization. ~~Monies from this Reserve shall be available for appropriation by the General Assembly.~~

(1) ~~The Emergency Board shall, at the end of fiscal year 2013,~~ determine annually at its July meeting the amount of available general funds that is greater than the amount of forecasted available general funds most

recently adopted by the Board for the current fiscal year 2013, adjusted by any legislative action projected to increase General Fund taxes that result in additional revenue in excess of \$1,000,000.00 over the revenue raised without legislative action in the current fiscal year. An amount not to exceed 33 percent of the amount determined in subdivision (1) shall be added to the base amount used to calculate the General Fund transfer under 16 V.S.A. § 4025(a)(2) for the next fiscal year. However, the amount to be added to the base amount used to calculate the General Fund transfer shall also not exceed 33 percent of the total amount which would be reserved in this subsection if not for the requirements of subdivisions (2) and (3) of this subsection.

(2) Of the amount added to the General Fund Balance Reserve in fiscal year 2013, to the extent available, one half of the amount identified in subdivision (1) of this subsection is hereby appropriated in the fiscal year just concluded for deposit in the Supplemental Property Tax Relief Fund established by section 6075 of this title. If the amount added to the General Fund Balance Reserve is insufficient to support both the appropriation in this subdivision and the appropriation in subdivision (3) of this subsection, the appropriation in this subdivision shall take precedence. Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 25 percent of any such funds shall be transferred from the General Fund to the Education Fund.

(3) Of the amount added to the General Fund Balance Reserve in fiscal year 2013, to the extent available, one quarter of the amount identified in subdivision (1) of this subsection is hereby appropriated in the fiscal year just concluded to the Secretary of Administration to be used only upon Emergency Board action to transfer these funds to appropriations to offset reduced federal funding. Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 50 percent of any such funds shall be reserved as necessary and transferred from the General Fund to the Retired Teachers' Health and Medical Benefits Fund established by 16 V.S.A. § 1944b to reduce any outstanding balance of any interfund loan authorized by the State Treasurer from the General Fund. Upon joint determination by the Commissioner of Finance and Management and the State Treasurer that there is no longer any outstanding balance, no further transfers in accordance with this subdivision shall occur.

(b) Use of General Fund Balance Reserve:

(1) The General Assembly may specifically appropriate the use of up to 50 percent of the amounts added in the prior fiscal year from the General Fund Balance Reserve to fund unforeseen or emergency needs.

(2) If the official State revenue estimates of the Emergency Board for the General Fund, determined under section 305a of this title have been reduced by two percent or more from the estimates determined and assumed for purposes of the general appropriations act or budget adjustment act, funds in the General Fund Balance Reserve may be appropriated to compensate for a reduction of revenues.

(c) There is hereby created within the Transportation Fund a Transportation Fund Balance Reserve. After satisfying the requirements of section 308a of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year Transportation Fund surplus shall be reserved in the Transportation Fund Balance Reserve. Monies from this Reserve shall be available for appropriation by the General Assembly.

~~(e) In any fiscal year, if the General Assembly determines there are insufficient revenues to fund expenditures for the operation of State government at a level the General Assembly finds prudent and required, it may specifically appropriate the use of the General Fund and Transportation Fund Balance Reserves to compensate for a reduction of revenues or fund such unforeseen or emergency needs as the General Assembly may determine.~~

Sec. D.105 REPEALS

(a) 2012 Acts and Resolves No. 162, Secs. D.103.1(a) (calculation, appropriation, and deposit in the supplemental property tax relief fund repeal effective on June 30, 2014) and D.103.1(b) (supplemental property tax relief fund repeal effective on June 30, 2014) are repealed.

(b) 32 V.S.A. § 6075 (supplemental property tax relief fund) is repealed on July 1, 2017.

(c) 2013 Acts and Resolves No. 50, Sec B.1104 as amended by 2014 Acts and Resolves No. 95, Sec. 69 (Fiscal Year 2014 Surplus) is repealed.

Sec. D.106 [DELETED]

Sec. D.107 DEPOSIT OF SETTLEMENT RECEIPTS

(a) Any funds received by the State in fiscal year 2014 from settlement with the R.J. Reynolds Tobacco Co. regarding deceptive advertising shall be deposited into the General Fund in fiscal year 2014.

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH – POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent positions is authorized in fiscal year 2015 as follows:

(1) In the Department of Information and Innovation – three (3) classified positions – one (1) IT Contract Specialist and two (2) Enterprise Architect.

(2) In the Department of State’s Attorneys and Sheriffs – four (4) exempt positions – Deputy State’s Attorney.

(3) In the Department of Public Safety – three (3) classified positions – one (1) Marijuana Registry Administrator, one (1) Fire Prevention Safety Officer, and one (1) Electrical Inspector.

(4) In the Agency of Agriculture, Food and Markets – two (2) classified positions – Food Safety Specialist.

(5) In the Department of Financial Regulation – one (1) classified position – Financial Examiner II.

(6) In the Department of Health – one (1) classified position – Public Health Dental Hygienist.

(7) In the Department of Vermont Health Access – two (2) classified positions – one (1) Clinical Operations Nurse Case Manager and one (1) Health Programs Administrator.

(8) In the Department for Children and Families – one (1) classified position – Financial Specialist III.

(9) In the Department of Environmental Conservation – one (1) classified position – Environmental Engineer VI.

(10) In the Department of Economic Development – one (1) classified position – Economic Development Director.

(b) The establishment of the following new classified limited service positions is authorized in fiscal year 2015 as follows:

(1) In the Department of Environmental Conservation – one (1) Solid Waste Analyst, one (1) Environmental Analyst III, one (1) Wetland Ecologist and three (3) Shorelands Preservation Specialists.

(2) In the Department of Liquor Control – one (1) Tobacco Compliance Officer.

(c) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2015 as follows:

(1) In the Agency of Agriculture, Food and Markets – two (2) working lands staff positions - Agricultural Development Coordinator and Grants Program Specialist II.

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) Notwithstanding Sec. A.107 of this act, the Agency of Transportation, the Department for Children and Families, the Department of Environmental Conservation, and the Department of Buildings and General Services shall not be subject to the cap on positions for the duration of the Pilot.

(2) Any new positions created under the Pilot shall be authorized by the Secretary of Administration and funded within existing appropriations.

(3) Any new positions created under the Pilot shall not be transferrable outside the agency or department of the Pilot.

(4) At least 15 days prior to the establishment of Pilot positions, the Joint Fiscal Committee, the Government Accountability Committee, and the House and Senate Committees on Government Operations shall be provided a written description from the Pilot entity and the Commissioner of Human Resources of the method for evaluating the cost-effectiveness of the positions.

(5) As part of their annual budget testimony, participating departments shall report on the number and type of positions created under the Pilot and the source of funds used to support the positions, and the performance and cost outcomes associated with the positions.

(6) On or before November 2014, the Commissioner of Human Resources shall provide the Joint Fiscal Committee and the House and Senate Committees on Government Operations a report of any employee impacts such as reduction in force rights that may arise from the implementation of the Pilot.

(7) This Pilot shall sunset on July 1, 2017, unless extended or modified by the General Assembly.

Sec. E.100.1 FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AND STATE MATCH PAYMENTS FOR TROPICAL STORM IRENE AND SPRING 2011 FLOODING

(a) The Secretary of Administration shall report to the Joint Fiscal Committee at its September 2014 and September 2015 meetings on cumulative expenditures in the prior fiscal year in the Public Assistance Program (810005500) of Federal Emergency Management Agency (FEMA) funds and associated emergency relief and assistance funds match for the damages due to Tropical Storm Irene and Spring 2011 flooding, including to the extent

possible, details about the expended funds by State agency or municipality. The report shall also include, if applicable, information on any audit findings that may result in financial impacts to the State.

(b) Reports shall be posted on the Legislative and Administration websites after submission.

(c) 2012 Acts and Resolves No. 75, Sec. 77a(b) (quarterly reports on payments from the emergency relief and assistance fund) is repealed.

Sec. E.100.2 VERMONT VETERANS' HOME; FUNDING REVIEW

(a) The Secretary of Administration shall carry out a review of the revenue and budget options for the Vermont Veterans' Home and develop a business plan with the following goals:

(1) creation of a revenue and budget approach that does not present a long-term structural deficit for the Vermont State budget; and

(2) development of a strategy that eliminates the need for ongoing General Fund subsidies by fiscal year 2018.

(b) This review shall be submitted to the Joint Fiscal Committee before November 15, 2014.

Sec. E.100.3 REVERSION

(a) Of the General Funds appropriated to the Secretary of Administration in fiscal year 2013 under the provision of 32 V.S.A. § 308c(a)(3), \$1,910,000 shall revert to the General Fund in fiscal year 2015.

Sec. E.100.4 VTHR UNIT; TRANSFER AUTHORITY

(a) The Commissioner of Finance and Management, with the approval of the Secretary of Administration, may make transfers of appropriations within the Financial Management Fund, Medical Insurance Fund, Dental Insurance Fund, and Life Insurance Fund for fiscal year 2015, provided the total fiscal year 2015 appropriations from these funds do not exceed the total amount authorized in the fiscal year 2015 Appropriations Act.

Sec. E.100.5 VERMONT ENTERPRISE FUND

(a) There is created a Vermont Enterprise Fund, the sums of which may be used by the Governor, with the approval of the Emergency Board, for the purpose of making economic and financial resources available to businesses facing circumstances that necessitate State government support and response more rapidly than would otherwise be available from, or that would be in addition to, other economic incentives.

(b)(1) The Fund shall be administered by the Commissioner of Finance and Management as a special fund under the provisions of chapter 7, subchapter 5 of this title.

(2) The Fund shall contain any amounts transferred or appropriated to it by the General Assembly.

(3) Interest earned on the Fund and any balance remaining at the end of the fiscal year shall remain in the Fund.

(4) The Commissioner shall maintain records that indicate the amount of money in the Fund at any given time.

(c) The Governor is authorized to use amounts available in the Fund to offer economic and financial resources to an eligible business pursuant to this section, subject to approval by the Emergency Board as provided in subsection (e) of this section.

(d) To be eligible for an investment through the Fund, the Governor shall determine that a business:

(1) adequately demonstrates:

(A) a substantial statewide or regional economic or employment impact; or

(B) approval or eligibility for other economic development incentives and programs offered by the State of Vermont; and

(2) is experiencing one or more of the following circumstances:

(A) a merger or acquisition may cause the closing of all or a portion of a Vermont business, or closure or relocation outside Vermont will cause the loss of employment in Vermont;

(B) a prospective purchaser is considering the acquisition of an existing business in Vermont;

(C) an existing employer in Vermont, which is a division or subsidiary of a multistate or multinational company, may be closed or have its employment significantly reduced; or

(D) is considering Vermont for relocation or expansion.

(e)(1) Any economic and financial resources offered by the Governor under this section must be approved by the Emergency Board before an eligible business may receive assistance from the Fund.

(2) The Board shall invite the Chair of the Senate Committee on Economic Development, Housing and General Affairs and the Chair of the House Committee on Commerce and Economic Development to participate in Board deliberations under this section in an advisory capacity.

(3) The Governor or designee, shall present to the Emergency Board for its approval:

(A) information on the company;

(B) the circumstances supporting the offer of economic and financial resources;

(C) a summary of the economic activity proposed or that would be forgone;

(D) other State incentives and programs offered or involved;

(E) the economic and financial resources offered by the Governor requiring use of monies from the Fund;

(F) employment, investment, and economic impact of Fund support on the employer, including a fiscal cost-benefit analysis; and

(G) terms and conditions of the economic and financial resources offered, including:

(i) the total dollar amount and form of the economic and financial resources offered;

(ii) employment creation, employment retention, and capital investment performance requirements; and

(iii) disallowance and recapture provisions.

(4) The Emergency Board shall have the authority to approve, disapprove, or modify an offer of economic and financial resources in its discretion, including consideration of the following:

(A) whether the business has presented sufficient documentation to demonstrate compliance with subsection (d) of this section;

(B) whether the Governor has presented sufficient information to the Board under subdivision (3) of this subsection;

(C) whether the business has received other State resources and incentives, and if so, the type and amount; and

(D) whether the business and the Governor have made available to the Board sufficient information and documentation for the Auditor of Accounts to perform a performance audit of the program.

(f)(1) Proprietary business information and materials or other confidential financial information submitted by a business to the State, or submitted by the Governor to the Emergency Board, for the purpose of negotiating or approving economic and financial resources under this section shall not be subject to

public disclosure under the State's public records law in 1 V.S.A. chapter 5, but shall be available to the Joint Fiscal Office or its agent upon authorization of the Chair of the Joint Fiscal Committee, and shall also be available to the Auditor of Accounts in connection with the performance of duties under 32 V.S.A. § 163; provided, however, that the Joint Fiscal Office or its agent, and the Auditor of Accounts, shall not disclose, directly or indirectly, to any person any proprietary business or other confidential information or any information which would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(2) Nothing in this subsection shall be construed to prohibit the publication of statistical information, rulings, determinations, reports, opinions, policies, or other information so long as the data are disclosed in a form that cannot identify or be associated with a particular business.

(g) On or before January 15 of each year following a year in which economic and financial resources were made available pursuant to this section, the Secretary of Commerce and Community Development shall submit to the House Committees on Commerce and Economic Development and on Ways and Means and to the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report on the resources made available pursuant to this section, including:

(1) the name of the recipient;

(2) the amount and type of the resources;

(3) the aggregate number of jobs created or retained as a result of the resources;

(4) a statement of costs and benefits to the State; and

(5) whether any offer of resources was disallowed or recaptured.

(h) This section shall sunset on June 30, 2016 and any remaining balance in the Fund shall be transferred to the General Fund.

Sec. E.100.6 WOOD PRODUCTS MANUFACTURE INCENTIVE

(a) Definitions. The Secretary of Commerce and Community Development, annually on or before February 1, shall designate any two adjacent counties having at least four percent of their combined jobs provided by employers that manufacture finished wood products and having the highest combined unemployment rate in the State for at least one month in the previous calendar year. Upon making a designation, the Secretary shall send a written notice to the Commissioner of Finance and Management identifying the designated counties. The Commissioner of Finance and Management shall be responsible for making the payment under the provisions of this section.

Notwithstanding 32 V.S.A. § 3102, the Commissioner of Taxes is authorized to disclose information to the Commissioner of Finance and Management necessary to implement this section.

(b) Payment. A payment against the income tax liability is available as follows:

(1) A payment of two percent of the wages paid in the taxable year by an employer for services performed in the designated counties associated with the manufacture of finished wood products. The payment shall be available to the employer in any year the counties qualify and for one year after a qualification ends. As used in this section, "finished wood products" means wood products that are manufactured into the form in which they are offered for sale to consumers.

(2) The payment, either alone or in combination with any other credit allowed by 32 V.S.A. § 5930y, shall not exceed 80 percent of the income tax liability of the employer.

(3) The recapture of development incentives established in 3 V.S.A. chapter 47, subchapter 6 shall apply to the payment in this section, except that the provisions of subsection 2512(c) of that title shall not apply to business relocation outside the designated counties.

Sec. E.105 Information and innovation – communications and information technology

(a) Of this appropriation, \$635,000 is for a grant to the Vermont Telecommunications Authority established in 30 V.S.A. § 8061.

Sec. E.106 [DELETED]

Sec. E.111 Tax – administration/collection

(a) Of this appropriation, \$30,000 is from the Current Use Application Fee Special Fund and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.

Sec. E.112 USE OF STATE SPACE; CLARIFICATION

(a) Notwithstanding 29 V.S.A. § 165(h), the Commissioner of Buildings and General Services shall extend through June 30, 2015 the lease for space for the Chittenden Unit for Special Investigations at current payment rates. For fiscal year 2016 and beyond, the Commissioner shall develop a long-term lease or fee-for-space arrangement for space for the Chittenden Unit for Special Investigations. If the lease or fee-for-space arrangement includes a payment below prevailing area market prices, then the Commissioner shall present it to

the Joint Fiscal Committee as required by 29 V.S.A. § 165(h)(2) for approval at a Joint Fiscal Committee meeting after September 1, 2014.

Sec. E.113 Buildings and general services – engineering

(a) The \$3,196,163 interdepartmental transfer in this appropriation shall be from the fiscal year 2015 General Bond Fund appropriation in 2013 Acts and Resolves No. 51, Sec. 2(c)(5), as amended in the 2014 legislative session.

Sec. E.113.1 2013 Acts and Resolves No.1, Sec. 100(c) is amended to read:

(c) Sec. 97 (general obligation debt financing) shall take effect on July 1, 2014 July 1, 2015.

Sec. E.113.2 DEPARTMENT OF BUILDINGS AND GENERAL SERVICES; ALLOCATION OF ENGINEERING COSTS

(a) The Commissioner of Buildings and General Services shall implement the following recommendations from the report required by 2013 Acts and Resolves No. 51, Sec. 39, relating to accounting standards for engineering costs:

(1) initiate a process to track engineering costs to specific projects through the VTHR payroll system; and

(2) once engineering costs are tracked to specific projects, allocate these known capital costs to expenses paid from general obligation debt financing and allocate noncapital costs to expenses paid from the General Fund.

(b) The Secretary of Administration shall work with the Commissioner of Buildings and General Services to implement a project tracking procedure through the VTHR payroll system described in subdivision (a)(1) of this section.

(c) On or before January 15, 2015, the Commissioner of Buildings and General Services shall update the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the implementation of the recommendations described in subsection (a) of this section.

Sec. E.118 Buildings and general services - fleet management services

(a) Any State employee that uses the standard mileage reimbursement rate for use of his or her private vehicle shall be required to use a State-owned or -leased vehicle if the mileage that is submitted for reimbursement exceeds 12,400 miles on a fiscal year basis. Exceptions may be made if the employee receives approval from his or her agency secretary or department head to exceed the 12,400 limit on mileage that is eligible for reimbursement for use of a private vehicle.

Sec. E.118.1 2010 Acts and Resolves No. 156, Sec. E.114(a), as amended by 2011 Acts and Resolves No. 3, Sec. 60, and 2013 Acts and Resolves No. 50, Sec. E.118, is further amended to read:

(a) The Commissioner of Buildings and General Services shall submit a report to the House and Senate Committees on Appropriations by January 15th of each year ~~through fiscal year 2015~~ detailing the number of ~~state~~ State employees, by department, that during the previous fiscal year exceeded a 11,400 mileage amount for use of their private vehicle during the previous fiscal year the "mileage breakeven point," the point at which employee mileage reimbursement becomes more expensive than use of State-owned or -leased vehicles, as calculated as part of this report.

Sec. E.125 Legislative council

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Legislative Council and carried forward into fiscal year 2015, the amount of \$25,000 shall revert to the General Fund.

Sec. E.126 Legislature

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Legislature and carried forward into fiscal year 2015, the amount of \$80,000 shall revert to the General Fund.

(b) It is the intent of the General Assembly that funding for the Legislature in fiscal year 2016 be included at a level sufficient to support an 18-week legislative session.

(c) The appropriation in Sec. B.126 of this act includes \$10,000 to support costs associated with obtaining data-based information to be used by the General Assembly to determine how well State government is working toward achieving the population-level outcomes that have been put in place to measure Vermont's quality of life. This data will also assist the General Assembly in determining how best to invest taxpayer dollars.

Sec. E.126.1 REPEAL

(a) 3 V.S.A. § 635a (legislators and session-only legislative employees eligible to purchase State Employees Health Benefit Plan at full cost) is repealed.

Sec. E.127 Joint fiscal committee

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Joint Fiscal Committee and carried forward into fiscal year 2015, the amount of \$10,000 shall revert to the General Fund.

Sec. E.127.1 [DELETED]

Sec. E.128 Sergeant at Arms

(a) Notwithstanding any other provision of law, from fiscal year 2014 funds appropriated to the Sergeant at Arms and carried forward into fiscal year 2015, the amount of \$10,000 shall revert to the General Fund.

Sec. E.131 VERMONT COMMUNITY LOAN FUND

(a) Notwithstanding 32 V.S.A. § 433, the State Treasurer is authorized to invest up to \$500,000 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with 32 V.S.A. § 433(b). The provisions of Sec. A.102(c) of this act shall not apply to this subsection.

(b) 2004 Acts and Resolves No. 80, Sec. 6a (authority to invest up to \$200,000.00) is repealed.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2015, investment fees shall be paid from the corpus of the Fund.

Sec. E.133.1 3V.S.A. § 479a(b)(1) is amended to read:

(1) All assets remitted to the state as a subsidy on behalf of the members of the Vermont state employees' retirement system for employer-sponsored qualified prescription drug plans pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003, except that any subsidy received from an Employer Group Waiver program is not subject to this requirement.

Sec. E.139 2013 Acts and Resolves No. 50, Sec. E.139, as amended by 2014 Acts and Resolves No. 95, Sec. 73a is further amended to read:

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) The towns ~~currently~~ engaged in litigation regarding grand list appeals of the assessment of TransCanada hydroelectric property may submit to the Attorney General legal expenditures made by those towns as a result of this litigation, as those values were established by reference to information from the Department of Taxes, Division of Property Valuation and Review. The Attorney General shall review the submitted bills and, if reasonable, approve reimbursement up to the amount transferred in subsection (b) of this section.

* * *

Sec. E.141 Lottery commission

(a) Of this appropriation, the Lottery Commission shall transfer \$150,000 to the Department of Health, Office of Alcohol and Drug Abuse Programs, to support the gambling addiction program.

(b) The Vermont State Lottery will continue to provide financial support and recommendations for addressing problem gambling among Vermont's citizens, to include marketing, event sponsorships, and printed material.

Sec. E.141.1 REPORT; TRANSITION OF COUNCIL ON PROBLEM GAMBLING

(a) The Executive Director of the Vermont Lottery Commission and the Commissioner of Health shall provide a written update to the Joint Fiscal Committee in July 2014 on how the gambling addiction program will be operated in fiscal year 2015 and how the funds allocated in this act for gambling addiction programs will be used.

Sec. E.142 Payments in lieu of taxes

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act.

Sec. E.143 Payments in lieu of taxes – Montpelier

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 Payments in lieu of taxes – correctional facilities

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. E.200 Attorney general

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$725,000 is appropriated in Sec. B.200 of this act.

Sec. E.204 JUDICIARY; REPORT ON TRAFFIC TICKETS

(a) On or before December 1, 2014, the Court Administrator shall report to the House and Senate Committees on Appropriations and on Judiciary on the trends and data for traffic tickets filed with the Judicial Bureau. The report shall:

(1) identify the number of traffic tickets filed with the Judicial Bureau during the previous three years and the amount of revenue received by the State from the tickets;

(2) compare the number of tickets filed with the number of tickets for which fines were collected; and

(3) provide information about the reasons tickets were dismissed by the Judicial Bureau during the three-year period, to the extent that such reports can be produced by query to the Judicial Bureau's case management software.

Sec. E.204.1 JUDICIARY; SECURITY REPORT

(a) The Court Administrator with the Manager of Security and Safety shall review current court operations and shall submit a report to the House and Senate Committees on Judiciary and on Appropriations by January 15, 2015 with any findings on the current operation and costs of providing security in all the State's courts. The report shall include any recommendations resulting from the review to restructure such operations to result in financial savings without increasing security risk to the Judiciary. Specifically, the report shall address:

(1) any options to reduce costs when any court is not in session; and

(2) any options to reduce costs through shared security arraignments with other co-located State agencies.

Sec. E.205 [DELETED]

Sec. E.206 SPECIAL INVESTIGATIONS UNIT FUNDING STUDY COMMITTEE

(a) Creation. There is created a Special Investigations Unit Funding Study Committee for the purpose of identifying and recommending equitable and sustainable funding options for specialized investigative units.

(b) Membership, interested parties.

(1) The Committee shall be composed of the following six members:

(A) three current members of the House of Representatives, one of whom is a member of the Joint Fiscal Committee, appointed by the Speaker of the House; and

(B) three current members of the Senate, one of whom is a member of the Joint Fiscal Committee, appointed by the Committee on Committees.

(2) The Committee shall consult with interested parties, including the Attorney General, the Commissioner of Taxes, the Executive Director of the Department of State's Attorneys and Sheriffs, the Special Investigation Units

Grants Program Manager, the Vermont League of Cities and Towns, the Vermont Children's Alliance, and the directors of the Special Investigation Units.

(c) Powers and duties. The Study Committee shall identify all possible funding sources for special investigation units and shall consider the sustainability and equitability of each possible source on local, county, and State levels.

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

(e) Report. On or before December 15, 2014, the Committee shall submit a report to the House Committees on Ways and Means and on Judiciary and the Senate Committees on Finance and on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) Members shall elect a Chair at the first meeting that shall occur on the same date as a meeting of the Joint Fiscal Committee.

(2)(A) A majority of the members of the Committee shall be physically present at the same location to constitute a quorum.

(B) A member may vote only if physically present at the meeting location.

(C) Action shall be taken only if there is both a quorum and a majority vote of all members of the Committee.

(3) The Committee shall cease to exist on January 1, 2015.

(g) Reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than four meetings.

Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.208.1 FIREARM STORAGE SPECIAL FUND; APPROPRIATION

(a) The sum of \$75,000 is appropriated to the Department of Public Safety from the Firearm Storage Special Fund, which is hereby created, to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, for the purpose of

assisting law enforcement agencies and court-approved federally licensed firearm dealers to create facilities for the storage of firearms and other weapons pursuant to Sec. 20 of H.735 of 2014 [fee bill] (to be codified as 20 V.S.A. § 2307). The Department is authorized to administer this appropriation in its discretion in the form of interest-free loans to law enforcement agencies and court-approved federally licensed firearm dealers that apply to and are deemed eligible by the Department. Successful applicants shall enter into a repayment agreement with the Department and shall repay the loan using fees or other proceeds collected as a result of the implementation of Sec. 20 of H.735 of 2014 [fee bill] (to be codified as 20 V.S.A. § 2307). Repayments received by the Department shall be deposited into the Firearm Storage Special Fund. The Department is authorized to prepare and execute on behalf of the State any documents necessary to make and secure such loans. Notwithstanding Sec. A.102(c) of this act, this appropriation shall carry forward until expended.

Sec. E.209 Public safety – state police

(a) Of this appropriation, \$35,000 in special funds shall be available for snowmobile law enforcement activities and \$35,000 in general funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force and the Gang Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force and to support the efforts of the Mobile Enforcement Team (Gang Task Force), or carried forward.

Sec. E.212 Public safety – fire safety

(a) Of this General Fund appropriation, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 Military – administration

(a) The amount of \$250,000 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856. Of this amount, \$100,000 shall be

general funds from this appropriation, and \$150,000 shall be Next Generation special funds, as appropriated in Sec. B.1100(a)(3)(B) of this act.

Sec. E.219 Military – veterans’ affairs

(a) Of this appropriation, \$2,500 shall be used for continuation of the Vermont Medal Program; \$4,800 shall be used for the expenses of the Governor’s Veterans’ Advisory Council; \$7,500 shall be used for the Veterans’ Day parade; \$5,000 shall be granted to the Vermont State Council of the Vietnam Veterans of America to fund the Service Officer Program; \$5,000 shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys’ State and Girls’ State programs.

(b) Of this General Fund appropriation, \$39,484 shall be deposited into the Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

Sec. E. 220 Center for crime victims services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victims Services shall transfer \$51,574 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

Sec. E.221 Criminal justice training council

(a) The provisions of the memorandum of understanding between the Criminal Justice Training Council and the Vermont Network Against Domestic and Sexual Violence shall be fulfilled unless altered by mutual agreement.

Sec. E.223 Agriculture, food and markets – food safety and consumer protection

(a) The Agency of Agriculture, Food and Markets shall use the Global Commitment funds appropriated in this section for the Food Safety and Consumer Protection Division to provide public health approaches and other innovative programs to improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.

Sec. E.224 Agriculture, food and markets – agricultural development

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$1,486,500 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for direct grants and investments in food and forest systems pursuant to 6 V.S.A. § 4607 and

consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5.

(b) Of the funds appropriated in Sec. B.224 of this act, the amount of \$13,500 in General Funds shall be used to fund grants that enable farmers' markets to accept electronic benefit transfer funds.

Sec. E.224.1 2012 Acts and Resolves No. 142, Sec. 5 is amended to read:

Sec. 5. FUNDING PRIORITIES

(a) The amounts appropriated from the general fund to the Vermont working lands enterprise fund established in 6 V.S.A. § 4605 shall be used General Fund for use by the working lands enterprise board Working Lands Enterprise Board shall be used for the following purposes:

* * *

Sec. E.225 Agriculture, food and markets – laboratories, agricultural resource management and environmental stewardship

(a) The Agency of Agriculture, Food and Markets shall use the Global Commitment funds appropriated in this section to provide public health approaches and other innovative programs to improve the health outcomes, health status, and quality of life for uninsured, underinsured, and Medicaid-eligible individuals in Vermont.

Sec. E.225.1 AGRICULTURE, FOOD AND MARKETS; MOSQUITO CONTROL

(a) The Secretary of Agriculture, Food and Markets may use any unexpended or unobligated funds in the budget of the laboratories, agricultural resource management and environmental stewardship program for grants to eligible mosquito control districts:

(1) for larvicide applications approved by the Secretary of Agriculture, Food and Markets to control nuisance species; or

(2) to implement management or control measures approved by the Secretary of Agriculture, Food and Markets to address a public health hazard declared under 18 V.S.A. § 2 due to an outbreak of West Nile virus, eastern equine encephalitis, or other mosquito-borne illness.

Sec. E.228 8 V.S.A. § 7116(c) is amended to read

(c) All fees and payments received by the Department under subsection (a) of this section and 10 percent of the transfer tax under subsection (b) of this section shall be credited to the insurance regulatory and supervision fund Insurance Regulatory and Supervision Fund under section 80 of this title. The remaining 90 percent of the transfer tax shall be deposited directly into the

~~general fund~~ General Fund and reserved in the General Fund Balance Reserve established under 32 V.S.A. § 308c.

Sec. E.233 18 V.S.A. chapter 34 is amended to read:

CHAPTER 34. NUCLEAR DECOMMISSIONING CITIZENS ADVISORY
PANEL

§ 1700. CREATION; MEMBERSHIP; OFFICERS; QUORUM

(a) There is created a ~~nuclear advisory panel~~ Nuclear Decommissioning Citizens Advisory Panel which shall consist of the following:

(1) ~~the secretary of human services~~ Secretary of Human Services, ex officio, or designee;

(2) ~~the secretary of natural resources~~ Secretary of Natural Resources, ex officio, or designee;

(3) ~~the commissioner of public service~~ Commissioner of Public Service, ex officio, or ~~his or her~~ designee;

(4) the Secretary of Commerce and Community Development, ex officio, or designee;

(5) ~~one member of an energy committee of the Vermont house of representatives~~ the House Committee on Natural Resources and Energy, chosen by the ~~speaker~~ Speaker of the ~~house~~ House;

~~(5)(6)~~ one member of an energy committee of the Vermont senate the Senate Committee on Natural Resources and Energy, chosen by the ~~committee~~ Committee on committees Committees; ~~and~~

(7) one representative of the Windham Regional Commission or designee, selected by the Regional Commission;

(8) one representative of the Town of Vernon or designee, selected by the legislative body of that town;

~~(6)(9)~~ two six members of the public, two each selected by the ~~governor~~ Governor, the Speaker of the House, and the President Pro Tempore of the Senate. Under this subdivision, each appointing authority initially shall appoint a member for a three-year term and a member for a four-year term. Subsequent appointments under this subdivision shall be for terms of four years;

(10) two representatives of the Vermont Yankee Nuclear Power Station (VYNPS or Station) selected by the owner of the Station;

(11) a representative of the International Brotherhood of Electric Workers (IBEW) selected by the IBEW who shall be a present or former employee at the VYNPS;

(12) one member who will represent collectively the Towns of Chesterfield, Hinsdale, Richmond, Swanzey, and Winchester, New Hampshire, when selected by the Governor of New Hampshire at the invitation of the Commissioner of Public Service; and

(13) one member who will represent collectively the Towns of Bernardston, Colrain, Gill, Greenfield, Leyden, Northfield, and Warwick, Massachusetts, when selected by the Governor of Massachusetts at the invitation of the Commissioner of Public Service.

(b) Ex officio members shall serve for the duration of their time in office or until a successor has been appointed. Members of the ~~general assembly~~ General Assembly shall be appointed for two years or until their successors are appointed, beginning on or before January 15 in the first year of the biennium. Representatives designated by ex officio members shall serve at the direction of the designating authority.

(c) ~~The commissioner of public service~~ Commissioner of Public Service shall serve as ~~chairperson~~ the Chair until the Panel elects a Chair or Co-Chairs under subsection (d) of this section.

(d) The Panel annually shall elect a Chair or Co-Chairs, and a Vice Chair, for one-year terms commencing with its first meeting following the effective date of this section.

(e) A majority of the Panel's members ~~of the panel~~ shall constitute a quorum. The ~~panel~~ Panel shall act only by vote of a majority of its entire membership and only at meetings called by the ~~chairperson~~ Chair or a Co-Chair or by any ~~three~~ five of the members. The person or persons calling the meeting shall provide adequate notice to all its members.

~~(e)(f)~~ (f) Members of the panel, except for who are not ex officio members and except for legislative members while the general assembly is in session, employees of the State of Vermont, representatives of the VYNPS, or members representing towns outside Vermont, and who are not otherwise compensated or reimbursed for their attendance shall be entitled to \$30.00 \$50.00 per diem and their necessary and actual expenses. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the public service board Department of Public Service. Legislative members shall not be entitled to a per diem under this section for meetings while the General Assembly is in session.

~~(f)~~(g) The ~~department of public service~~ Commissioner of Public Service shall:

(1) manage the provision of administrative support to the Panel, including scheduling meetings and securing meeting locations, providing public notice of meetings, producing minutes of meetings, and assisting in the compilation and production of the Panel's annual report described in section 1701 of this title;

(2) keep the ~~panel~~ Panel informed of the status of matters within the jurisdiction of the ~~panel~~ Panel;

~~(2)~~(3) notify members of the ~~panel~~ Panel in a timely manner upon receipt of information relating to matters within the jurisdiction of the ~~panel~~ Panel; and

~~(3)~~(4) upon request, provide to all members of the ~~panel~~ Panel all relevant information within the ~~department's~~ control of the Department of Public Service relating to subjects within the scope of the duties of the ~~panel~~ Panel;

(5) provide workshops or training for Panel members as may be appropriate; and

(6) hire experts, contract for services, and provide for materials and other reasonable and necessary expenses of the Panel as the Commissioner may consider appropriate on request of the Panel from time to time. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and such other sources as may be or become available.

§ 1701. DUTIES

The Panel shall serve in an advisory capacity only and shall not have authority to direct decommissioning of the VYNPS. The duties of the ~~panel~~ Panel shall be:

(1) To hold a minimum of ~~three~~ four public meetings each year for the purpose of discussing issues relating to the ~~present and future use of nuclear power and to decommissioning of the VYNPS.~~ The Panel may hold additional meetings.

(2) To advise the ~~governor~~ Governor, the ~~general assembly~~ General Assembly, and the agencies of the ~~state thereon~~ State, and the public on issues related to the decommissioning of the VYNPS, with a written report being provided annually to the ~~governor~~ Governor and to the energy committees of the ~~general assembly~~; General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of reports) shall not apply to this report.

~~(2) To define the responsibilities of state agencies for assuring the safety and health of the public as the result of the operation of a fixed nuclear facility and to assess the ability of state and local governments to meet this responsibility in terms of both technical expertise and financial support;~~

~~(3) To discuss proposed changes in operations or specific problems that arise in the operation of a fixed nuclear facility, and to prepare and present technical data to serve as a basis for establishing the state's position on such changes or problems; To serve as a conduit for public information and education on and to encourage community involvement in matters related to the decommissioning of the VYNPS and to receive written reports and presentations on the decommissioning of the Station at its regular meetings.~~

~~(4) To maintain communications with the operators of any fixed nuclear facility, including the receipt of written reports and presentations to the panel at its regular meetings; To periodically receive reports on the Decommissioning Trust Fund and other funds associated with decommissioning of or site restoration at the VYNPS, including fund balances, expenditures made, and reimbursements received.~~

~~(5) To develop awareness in the state and in the state government of the potential liabilities, benefits, or repercussions of nuclear power generation in the state in comparison to other electrical energy sources; and To receive reports regarding the decommissioning plans for the VYNPS, including any site assessments and post-shutdown decommissioning assessment reports; provide a forum for receiving public comment on these plans and reports; and to provide comment on these plans and reports as the Panel may consider appropriate to State agencies and the owner of the VYNPS and in the annual report described in subdivision (2) of this section~~

~~(6) To review the current status of state relations with the Nuclear Regulatory Commission and to seek some agreement on federal and state regulatory efforts.~~

§ 1702. ASSISTANCE

~~Staff services for the committee shall be furnished by the department of public service, the agency of human services, the agency of environmental conservation, and the office of the attorney general The Department of Public Service, the Agency of Human Services, and the Agency of Natural Resources shall furnish administrative support to the Panel, with assistance from the owners of the VYNPS as the Commissioner of Public Service may consider appropriate.~~

Sec. E.233.1 DECOMMISSIONING ADVISORY PANEL; ASSESSMENT OF CHARGE

(a) After providing an opportunity for public comment, the Nuclear Decommissioning Citizens Advisory Panel created under 18 V.S.A. chapter 34 shall assess whether further changes to the Panel's membership or duties as amended by this act are appropriate and shall include recommendations on such further changes in the annual report to the Governor and energy committees of the General Assembly under 18 V.S.A. § 1701(2) to be filed on or before January 15, 2015.

Sec. E.234 [DELETED]

Sec. E.238 [DELETED]

* * * HUMAN SERVICES * * *

Sec. E.300 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2015 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.1 APPROPRIATION ADJUSTMENT AUTHORITY FOR COMBINED WAIVER AND INDEPENDENT DIRECT CARE EXPENDITURES

(a) In the event that the Centers for Medicare and Medicaid Services approves combining the two Section 1115 waivers during State fiscal year 2015, the Secretary of Administration with the approval of the Joint Fiscal Committee, may make net neutral adjustments among Agency of Human Services appropriations as appropriate, to reflect the necessary changes in fund accounting. This authority does not allow the transfer of programs among departments.

(b) Of the General Funds appropriated in Sec. B.300 of this act \$1,735,000 is for expenditures resulting from negotiated agreements for the provision of independent direct care. The Agency may transfer these funds to the departments as needed or proposed redistribution of the funds in the budget adjustment process for fiscal year 2015.

Sec. E.300.2 REVIEW; ADAP RESIDENTIAL SUBSTANCE ABUSE TREATMENT

(a) The Agency of Human Services in consultation with the Department of Vermont Health Access, the Department of Health, the Department of Finance and Management, and the Joint Fiscal Office shall review the fiscal impact of increasing the number of preapproved residential substance treatment days

from the current 15 days for adult Medicaid recipients. The review shall consider the following:

(1) the American Society for Addiction Medicine Patient Placements Criteria;

(2) third-party payers processes for determination of length of stay;

(3) the process for extending the number of days of residential treatment beyond 15; and

(4) the relationship between the number of days in residence and patient outcomes.

(b) The review shall be submitted to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare by December 15, 2014.

Sec. E.301 Secretary's office – Global Commitment

(a) The Agency of Human Services shall use the funds appropriated in this section for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$28,065,597 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$17,621,550 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$22,878,450 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$40,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,896,863 certified State match available from local education agencies for direct school-based health services, including school nurse services, that increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

(3) \$2,176,679 certified State match available from local education agencies for eligible services as allowed by federal regulation for early periodic screening, diagnosis, and treatment programs for school-aged children.

(4) \$1,848,540 certified State match available via the University of Vermont's Child Health Improvement Program for quality improvement initiatives for the Medicaid program.

(5) \$2,521,965 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) On or before December 31, 2014, designated and special service agencies that receive Global Commitments Funds for Medicaid reimbursement rate increases shall provide the Agency of Human Services their proposed allocation of these funds. On or before January 15, 2015, the Agency shall provide the House and Senate Committees on Appropriations a consolidated report of the proposed allocations.

Sec. E.304 3 V.S.A. § 3090(e) is added to read:

(e) On or before January 15 of each year, the Board shall report to the House Committees on Appropriations, on Human Services, and on Health Care and the Senate Committees on Appropriations, on Health and Welfare, and on Finance regarding the fair hearings conducted by the Board during the three preceding calendar years, including:

(1) the total number of fair hearings conducted over the three-year period and per year;

(2) the number of hearings per year involving appeals of decisions by the Agency itself and each department within the Agency, with the appeals and decisions relating to health insurance through the Vermont Health Benefit Exchange reported distinctly from other programs;

(3) the number of hearings per year based on appeals of decisions regarding:

(A) eligibility;

(B) benefits;

(C) coverage;

(D) financial assistance;

(E) child support; and

(F) other categories of appeals;

(4) the number of hearings per year based on appeals of decisions regarding each State program over which the Board has jurisdiction;

(5) the number of decisions per year made in favor of the appellant; and

(6) the number of decisions per year made in favor of the department or the Agency.

Sec. E.306 32 V.S.A. § 307(d) is amended to read:

(d) The Governor's budget shall include his or her recommendations for an annual budget for Medicaid and all other health care assistance programs administered by the Agency of Human Services. The Governor's proposed Medicaid budget shall include a proposed annual financial plan, and a proposed five-year financial plan, with the following information and analysis:

* * *

(5) health care inflation trends consistent with provider reimbursements approved under 18 V.S.A. § 9376 and hospital budgets approved by the Green Mountain Care Board under 18 V.S.A. chapter 221, subchapter 7 expenditure trends reported under 18 V.S.A. § 9375a;

* * *

Sec. E. 306.1 EMERGENCY RULES

(a) The Agency of Human Services shall adopt rules pursuant to 3 V.S.A. chapter 25 prior to June 30, 2015 to conform Vermont's rules regarding operation of the Vermont Health Benefit Exchange to federal guidance and regulations implementing the provisions of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152. The rules shall be adopted to achieve timely compliance with federal laws and guidance and shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.2 SUBSTANCE ABUSE TREATMENT SERVICES

(a) Program Objectives And Performance Measures:

(1) On or before September 15, 2014, the Chief of Health Care Reform, the Secretary of Human Services, and the Commissioners of Health and of Vermont Health Access in consultation with the Chief Performance Officer shall submit to the Joint Fiscal Committee, the House and Senate Committees on Appropriations, the House Committee on Human Services, and to the Senate Committee on Health and Welfare the program objectives for the State's substance abuse treatment services and three performance measures to measure success in reaching those program objectives.

(2) Thereafter, annually, on or before January 15, the Chief, Secretary, and Commissioners shall report to those Committees on the service delivery system's success in reaching the program objectives using the performance measure data collected for those services.

(b) Comprehensive Service Delivery System:

(1) On or before November 15, 2015, the Secretary of Administration and the Chief of Health Care Reform, in consultation with the Secretary of Human Services, shall report to the Joint Fiscal Committee, the House and Senate Committees on Appropriations, the House Committee on Human Services, and to the Senate Committee on Health and Welfare on current and additional strategies to achieve a more comprehensive health care service delivery system based on a greater integration of substance abuse payment and care coordination with physical and mental health. Recommendations may include organizational restructuring within the Agency of Human Services.

(2) The Secretary of Administration and the Chief of Health Care Reform are authorized to initiate recommended organizational restructuring if approved by the General Assembly or, if the General Assembly is not in session, by the Joint Fiscal Committee.

(c) Transfer of Global Commitment Funds:

(1) Subsequent to meeting the requirements of subsection (a) of this section, the Secretary of Administration and the Chief of Health Care Reform are authorized to transfer Global Commitment funds from the Department of Vermont Health Access (DVHA) to the Office of Alcohol and Drug Abuse Programs for the Care Alliance for Opioid Addiction. A written notification shall be submitted to the Joint Fiscal Committee for funds transferred under this subdivision and shall include a description of the specific use of funds within the Care Alliance for Opioid Addiction consistent with the objectives identified in subsection (a) of this section.

(2) Anticipated or identified savings in DVHA or other departments of the Agency of Human Services identified as a result of the increase expenditures through the Care Alliance for Opioid Addiction shall be included in the notification set forth in subdivision (1) of this subsection.

(d) Payment Methodology:

(1) On or before March 15, 2015, the Chief of Health Care Reform, Secretary of Human Services, and Commissioners of Health and of Vermont Health Access shall submit to the House and Senate Committees on Appropriations, the House Committee on Human Services, and to the Senate Committee on Health and Welfare a report on designing the payment methodology for substance abuse and mental health services to achieve the

objectives in subsection (a) of this section. The report shall include the benefits, drawbacks, and costs of:

- (A) rate setting;
- (B) capitated funding;
- (C) performance-based contracts;
- (D) cost-based reimbursement;
- (E) capacity grants; and
- (F) bundled payments.

Sec. E.306.3 2 V.S.A. chapter 20 is added to read:

CHAPTER 20. HEALTH REFORM OVERSIGHT COMMITTEE

§ 691. COMMITTEE CREATION

There is created a legislative Health Reform Oversight Committee. The Committee shall be composed of the following six members:

- (1) the Chair of the House Committee on Appropriations;
- (2) the Chair of the Senate Committee on Appropriations;
- (3) the Chair of the House Committee on Ways and Means;
- (4) the Chair of the Senate Committee on Finance;
- (5) the Chair of the House Committee on Health Care; and
- (6) the Chair of the Senate Committee on Health and Welfare;

§ 692. POWERS AND DUTIES

(a) When the General Assembly is adjourned, the Committee shall provide legislative oversight and review of revenue collection, expenditures, and planning related to health care reform efforts in Vermont.

(b) When the General Assembly is adjourned during fiscal year 2015, the Commissioner of Vermont Health Access shall provide monthly updates regarding Vermont Health Benefit Exchange operations, enrollment data, coverage status, customer support, and Exchange website functionality.

(c) Effective on January 1, 2015, all reports previously submitted to the Health Care Oversight Committee shall be submitted to the Health Reform Oversight Committee.

§ 693. ASSISTANCE

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

(b)(1) The Secretary of Administration and other members of the Executive Branch shall report to the Committee upon request.

(2) If applicable, the Secretary shall submit an electronic report to the Joint Fiscal Office for distribution to members of the Committee that summarizes any plans or actions taken by the Executive Branch to delay health care reform project schedules as a result of:

(A) increased costs exceeding official estimates;

(B) changes in the consensus revenue forecast of the Health Care Resources Fund;

(C) changes in the availability of federal funding; or

(D) any other changes related to the planning for and implementation of health care reform as directed by 2011 Acts and Resolves No. 48.

§ 694. MEETINGS

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

(b) Meetings shall be convened by the Chair and when practicable shall be held in conjunction with meetings of the Joint Fiscal Committee.

(c)(1) A majority of the members of the Committee shall be physically present at the same location to constitute a quorum.

(2) A member may vote only if physically present at the meeting location.

(3) Action shall be taken only if there is both a quorum and a majority vote of the members physically present and voting.

§ 695. REIMBURSEMENT

For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to section 406 of this title for no more than six meetings.

Sec. E.306.4 REPEALS

(a) 2 V.S.A. chapter 24 (Health Care Oversight Committee) is repealed on January 1, 2015.

(b) 2004 Acts and Resolves No. 122, Sec. 141c (Mental Health Oversight Committee), as amended by 2006 Acts and Resolves No. 215, Sec. 293a and 2007 Acts and Resolves No. 65, Sec. 124b, is repealed on January 1, 2015.

Sec. E.306.5 MEDICAID PRIMARY CARE RATES

(a) The State shall continue its efforts to bring the Medicaid reimbursement rates for providers of primary care closer to Medicare levels.

Sec. E.306.6 HUMAN SERVICE PROGRAMS OVERSIGHT PROPOSAL

(a) The fiscal year 2015 report required under 2 V.S.A. § 852(c) shall be made on or before December 31, 2014. In the report, the Health Care Oversight Committee shall, in consultation with the Mental Health Oversight Committee, recommend if a single oversight structure is needed to be the successor to the Health Care Oversight Committee and the Mental Health Oversight Committee.

Sec. E.307 2013 Acts and Resolves No. 79, Sec. 53(d) is amended to read:

(d) Secs. 31 (Healthy Vermonters) and 32 (VPharm) shall take effect on January 1, 2014, except that the Department of Vermont Health Access may continue to calculate household income under the rules of the Vermont Health Access Plan after that date if the system for calculating modified adjusted gross income for the Healthy Vermonters and VPharm programs is not operational by that date, but no later than December 31, ~~2014~~ 2015.

Sec. E.308 CHOICES FOR CARE; SAVINGS, REINVESTMENTS, AND SYSTEM ASSESSMENT

(a) In the Choices for Care program, “savings” means the difference remaining at the conclusion of the fiscal year between the annual amount of funds appropriated for Choices for Care, excluding allocations for the provision of acute care services, and the sum of expended and obligated funds less an amount equal to one-percent of the previous fiscal year total Choices for Care expenditure to function as a reserve to be used in the event of a fiscal need to freeze Moderate Needs Group enrollment. Savings shall be calculated by the Department of Disabilities, Aging, and Independent Living and reported to the Joint Fiscal Office.

(1) It is the intent of the General Assembly that the Department of Disabilities, Aging, and Independent Living only obligate funds for expenditures approved under current law.

(b)(1) Any funds appropriated for long-term care under the Choices for Care program shall be used for long-term services and supports to recipients. In using these funds, the Department of Disabilities, Aging, and Independent Living shall give priority for services to individuals assessed as having high and highest needs and meeting the terms and conditions of the Choices for Care waiver.

(2)(A) First priority for the use of any savings from the long-term care appropriation after the needs of all individuals meeting the terms and conditions of the waiver have been met shall be given to home- and community-based services. Savings may also be used for quality improvement purposes in nursing homes but shall not be used to increase nursing home rates under 33 V.S.A. § 905.

(B) Savings either shall be one-time investments or shall be used in ways that are sustainable into the future. Excluding appropriations allocated for acute services, any unexpended and unobligated State General Fund or Special Fund appropriation remaining at the close of a fiscal year shall be carried over to the next fiscal year.

(C) The Department of Disabilities, Aging, and Independent Living shall not reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.

(c) The Department, in collaboration with Choices for Care participants, participants' families, and long-term care providers, shall conduct an annual assessment of the adequacy of the provider system for delivery of home- and community-based services and nursing home services. On or before October 1 of each year, the Department of Disabilities, Aging, and Independent Living shall report the results of this assessment to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare in order to inform the reinvestment of savings during the budget adjustment process.

(d) On or before January 15 of each year, the Department of Disabilities, Aging, and Independent Living shall propose reinvestment of the savings calculated pursuant to this section to the General Assembly as part of the Department's proposed budget adjustment presentation.

(e) Concurrent with the procedures set forth in 32 V.S.A. § 305a, the Joint Fiscal Office and the Secretary of Administration shall provide to the Emergency Board their respective estimates of caseloads and expenditures for programs under the Choices for Care Medicaid Section 1115 waiver.

(f) 2013 Acts and Resolves No. 50, Sec. E.308 shall be repealed effective on passage of this act.

(g) Beginning on July 1, 2014, notwithstanding subdivision (b)(2)(A) of this section, reinvestment funds in fiscal year 2015 resulting from savings identified at the close of fiscal year 2014 in the Choices for Care program shall first be allocated for expenditure increase in the Choices for Care home-and community-based programs due to negotiated agreements related to independent direct care in those programs and secondly be allocated for the purposes of 2014 Acts and Resolves No. 95, Sec.75a.

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2015 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000, of which \$135,000 is State general funds and \$340,000 is AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. It is the intent of the General Assembly that if the AIDS Medication Rebates special funds appropriated in this subsection are unavailable, the funding for Vermont AIDS service and peer-support organizations for client-based support services shall be maintained through the General Fund or other State-funding sources. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated as follows:

(A) AIDS Project of Southern Vermont, \$120,281;

(B) HIV/HCV Resource Center, \$38,063;

(C) VT CARES, \$219,246;

(D) Twin States Network, \$45,160;

(E) People with AIDS Coalition, \$52,250.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of no less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2015, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service

organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. No more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(b) Funding for the tobacco programs in fiscal year 2015 shall consist of the \$2,393,377 in tobacco funds and \$302,507 in Global Commitment funds appropriated in Sec. B.312 of this act. The Tobacco Evaluation and Review Board shall determine how these funds are allocated to tobacco cessation, community-based, media, public education, surveillance, and evaluation activities. This allocation shall include funding for tobacco cessation programs that serve pregnant women.

Sec. E.312.1 18 V.S.A. § 1130 is amended to read:

§ 1130. IMMUNIZATION PILOT PROGRAM FUNDING

(a) As used in this section:

(1) “Health care facility” shall have the same meaning as in section 9402 of this title.

(2) “Health care professional” means an individual, partnership, corporation, facility, or institution licensed or certified or authorized by law to provide professional health care services.

(3) “Health insurer” shall have the same meaning as in section 9402 of this title, but does not apply to insurers providing coverage only for a specified disease or other limited benefit coverage.

(4) “Immunizations” means vaccines and the application of the vaccines as recommended by the practice guidelines for children and adults established by the Advisory Committee on Immunization Practices (ACIP) to the Centers for Disease Control and Prevention (CDC).

(5) “State health care programs” ~~shall include Medicaid, Dr. Dynasaur, and any other~~ means any health care program providing immunizations with funds available through the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act State and federal sources.

(6) “Covered lives” means the number of Vermont residents covered under a health insurance plan provided or administered by a health insurer.

(b)(1) The Department of Health shall ~~establish~~ administer an immunization ~~pilot~~ program with the ~~ultimate goal~~ goals of ensuring universal access to vaccines for all Vermonters at no charge to the individual and ~~to reduce~~ reducing the cost at which the ~~state~~ State may purchase vaccines. The ~~pilot program shall be in effect from January 1, 2010, through December 31, 2014. During the term of the pilot program,~~ the Department shall purchase, provide for the distribution of, and monitor the use of vaccines as provided for in this subsection and subsection (c) of this section. The cost of the vaccines and an administrative surcharge shall be reimbursed by health insurers as provided for in subsections (e) and (f) of this section.

(2) The Department shall solicit, facilitate, and supervise the participation of health care professionals, health care facilities, and health insurers in the immunization ~~pilot~~ program in order to accomplish the State’s goal of universal access to immunizations at the lowest practicable cost to individuals, insurers, and ~~state~~ State health care programs.

(3) The ~~department~~ Department shall gather and analyze data regarding the immunization ~~pilot~~ program for the purpose of ensuring its quality and maximizing protection of Vermonters against diseases preventable by vaccination.

(c) The immunization ~~pilot~~ program shall ~~include a bulk purchasing pool to maximize the discounts, rebates, or negotiated price of all vaccines for children and certain recommended vaccines for adults~~ purchase vaccines from the federal Centers for Disease Control and Prevention at the lowest available cost. The Department shall determine annually which vaccines for adults shall be purchased under the program. ~~The Department may join a multi-state purchasing pool or contract with a wholesale distributor to negotiate prices for the vaccines provided through the program.~~

(d) The immunization ~~pilot~~ program shall provide for distribution of the vaccines to health care professionals and health care facilities for administration to patients.

(e) Health insurers shall ~~reimburse~~ remit to the Department ~~for the actual cost of vaccines provided to their subscribers and for the administration surcharge established in subsection (f) of this section,~~ as established by the Commissioner of Health based on the recommendation of the Immunization Funding Advisory Committee established in subsection (g) of this section.

(f) The Department shall charge each health insurer a surcharge for the costs and administration of the immunization ~~pilot~~ program. The surcharge

shall be deposited into an existing special fund and used solely for the purpose of administering the pilot program.

~~(g)(1) No later than July 1, 2009, the Commissioner shall convene an advisory committee to provide recommendations regarding the immunization pilot program, including:~~

~~(A) the vaccines to be included in the pilot program;~~

~~(B) the pilot program's target patient utilization goal for each vaccine selected for inclusion in the pilot program;~~

~~(C) the purchase price of vaccines;~~

~~(D) the administrative surcharge established pursuant to subsection (f) of this section; and~~

~~(E) the design of the evaluation for the immunization pilot program.~~

~~(2) The advisory committee shall include representatives from the three largest health insurers licensed to do business in Vermont and the Department of Vermont Health Access and shall be chaired by the Chief of the Immunization Program for the Department of Health.~~

~~(3) The advisory committee shall meet throughout the term of the pilot program.~~

The Immunization Funding Advisory Committee is established to provide the Commissioner of Health with an annual per-member per-month cost for vaccines for the pediatric population, an annual per-member per-month cost for vaccines for the adult population, and a recommendation for the amount of the yearly vaccine assessment. The Committee shall comprise the following nine members:

(A) the Executive Officer of the Board of Pharmacy;

(B) the Executive Director of the Green Mountain Care Board;

(C) a representative of the Vermont Blueprint for Health, nominated by the Director of the Blueprint and appointed by the Commissioner of Health;

(D) three representatives of health insurers, one from each of the State's largest private health insurers, as determined by the number of covered lives, appointed by the Commissioner of Health;

(E) a representative of the American Academy of Pediatrics, Vermont chapter, appointed by the Commissioner of Health;

(F) a representative of the American Academy of Family Medicine, Vermont chapter, appointed by the Commissioner of Health; and

(G) a representative of employers that self-insure for health coverage, appointed by the Commissioner of Health.

(2) The Committee shall select a chair from among its members at the first meeting of each calendar year. The Committee shall receive administrative support from the Department of Health.

(3) By January 1 of each year, the Committee shall provide to the Commissioner the annual fiscal assessment and the per-member per-month cost for pediatric vaccines based on the total number of pediatric covered lives reported by health insurers and the per-member per-month cost for adult vaccines based on the total number of adult covered lives reported by health insurers.

~~(h) The Department of Health shall develop, with input from the advisory committee established pursuant to subsection (g) of this section, an evaluation methodology to determine the costs and effectiveness of the pilot program, including whether the total cost to health insurers of participation in the pilot program is less than or equal to their estimated costs had they not participated in the program. If federal purchase requirements do not further the goal of ensuring universal access to vaccines for all, the Commissioner may, following consultation with the Immunization Funding Advisory Committee, discontinue the program with six months' advance notice to all health care professionals and to all health insurers with Vermont covered lives.~~

~~(i) The Department may adopt rules under 3 V.S.A. chapter 25 if necessary to implement this section.~~

Sec. E.312.2 [DELETED]

Sec. E.313 Health – alcohol and drug abuse programs

(a) For the purpose of meeting the need for outpatient substance abuse services when the preferred provider system has a waiting list of five days or more or there is a lack of qualified clinicians to provide services in a region of the State, a State-qualified alcohol and drug abuse counselor may apply to the Department of Health, Division of Alcohol and Drug Abuse Programs, for time-limited authorization to participate as a Medicaid provider to deliver clinical and case coordination services, as authorized.

(b)(1) In accordance with federal law, the Division of Alcohol and Drug Abuse Programs may use the following criteria to determine whether to enroll a State-supported Medicaid and uninsured population substance abuse program in the Division's network of designated providers, as described in the State plan:

(A) The program is able to provide the quality, quantity, and levels of care required under the Division's standards, licensure standards, and accreditation standards established by the Commission on Accreditation of Rehabilitation Facilities, the Joint Commission on Accreditation of Health Care Organizations, or the Commission on Accreditation for Family Services.

(B) Any program that is currently being funded in the existing network shall continue to be a designated program until further standards are developed, provided the standards identified in this subdivision (b)(1) are satisfied.

(C) All programs shall continue to fulfill grant or contract agreements.

(2) The provisions of subdivision (1) of this subsection shall not preclude the Division's "request for bids" process.

Sec. E.313.1 [DELETED]

Sec. E.314 [DELETED]

Sec. E.314.1 MENTAL HEALTH BUDGET PRESENTATION

(a) In order for the General Assembly to evaluate whether the State is meeting the goals in 2012 Acts and Resolves No. 79 of increasing community supports, decreasing inpatient care, and moving toward a less coercive system and to evaluate the outcomes of the systemwide investments made as the result of Act 79, the Departments of Mental Health and of Vermont Health Access shall in consultation with the State's Chief Performance Officer, as designee of the Secretary of Administration, provide a longitudinal capacity, caseload, expenditure, and utilization analysis with the fiscal year 2016 budget presentation for:

(1) Inpatient Services by the following funding categories:

(A) Level 1 inpatient psychiatric services;

(B) other involuntary inpatient psychiatric services;

(C) inpatient psychiatric services for community rehabilitation and treatment clients;

(D) inpatient psychiatric services for other Medicaid patients; and

(E) emergency department wait times for an acute inpatient psychiatric bed for minors and adults.

(2) Residential Services by categories of service, including:

(A) Intensive Recovery;

(B) Crisis Residential and Hospital Diversion;

(C) group homes;

(D) supported independent living; and

(E) secure residential.

(3) Community Mental Services by categories of service, including:

(A) community rehabilitation and treatment;

(B) crisis programs;

(C) outpatient clinics; and

(D) peer support programs.

(4) Other Mental Health Support Services and Administration.

Sec. E.314.2 TRANSPORTING PATIENTS

(a) As part of its fiscal year 2016 budget proposal, the Department of Mental Health shall report to the House and Senate Committees on Appropriations and on Judiciary, the House Committee on Human Services and the Senate Committee on Health and Welfare, the total number of transports, the number of persons transported in restraints, the number of transports done pursuant to 18 V.S.A. § 7511 and the number of transports of children pursuant to 33 V.S.A. § 5123 during the previous calendar year. The Department shall also provide the estimated cost of entering into contracts only with designated professionals or law enforcement officers for the transport of persons pursuant to 18 V.S.A. § 7511 or of children pursuant to 33 V.S.A. § 5123.

Sec. E.314.3 [DELETED]

Sec. E.314.4 PSYCHIATRIC HOSPITAL STAFFING

(a) By July 1, 2014, the Department of Mental Health shall establish criteria by which to determine the appropriate staffing level at the Vermont Psychiatric Care Hospital. The criteria shall consider the need to provide sufficient direct care and administrative and support staff consistent with the requirement to provide effective treatment services in an environment that monitors patient care, and the safety needs of patients, and aligns with the guidelines of the federal Centers for Medicare and Medicaid Services.

(b) The Department shall provide a written report to the Joint Fiscal Committee and the Mental Health Oversight Committee in July 2014 regarding the staffing plan for the Vermont Psychiatric Care Hospital. The report shall justify and demonstrate the need for each of the administrative and support staff included in the plan, with the goal of limiting positions to those that are essential to meet the needs of operating the hospital.

(c) By July 1, 2014, the Department of Mental Health, in consultation with the State's Chief Performance Officer, as designee of the Secretary of Administration, shall identify desired outcomes, performance measures, and data requirements required to measure whether the hospital is achieving the stated outcomes for patient care, and the effectiveness of treatment services, patient monitoring, and safety requirements at the Vermont Psychiatric Care Hospital and shall provide a written report to the Joint Fiscal Committee and the Mental Health Oversight Committee in July 2014.

Sec. E.314.5 [DELETED]

Sec. E.316 33 V.S.A. § 1702 is added to read:

§ 1702. PAYMENT ERROR RATE REPORT

On or before January 1 of the year following any federal fiscal year in which the State of Vermont receives a federal sanction for a payment error rate greater than the federal threshold in the Supplemental Nutrition Assistance Program (SNAP), the Department for Children and Families shall report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare regarding:

(1) the number of households that received SNAP benefits and were discovered to have an overpayment or underpayment in the sanction year due to agency error, including the average amount of the overpayments and underpayments and the total amount of each; and

(2) the Department's specific plans for sanction reinvestment to improve its error rate for the next federal fiscal year and prevent sanction in the future.

Sec. E.318 33 V.S.A. § 3504 is added to read:

§ 3504. SUPPLEMENTAL CHILD CARE GRANTS

In instances in which Extraordinary Financial Relief will not maintain ongoing access to high quality child care, the Department for Children and Families may provide additional support to ensure access to high-quality, comprehensive child care that meets the needs of working parents in high-poverty areas of Vermont. Licensed child care centers may be considered for this additional financial support to help ensure ongoing access to high-quality child care in areas of the State where none exists, as determined by the Commissioner. Financial assistance may be granted, at the discretion of the Commissioner, if the child care center meets the following criteria:

(1) provides full-day child care year-round;

- (2) serves infants and toddlers;
- (3) is located in a high-poverty area without access to public transportation, as determined by the Commissioner;
- (4) maintains a 5 star rating in the STep Ahead Recognition System (STARS) program;
- (5) maintains a caseload in which at least 80 percent of enrollees receive a 100 percent child care subsidy; and
- (6) receives child care subsidies as its primary source of program revenue.

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM

(a) For State fiscal year 2015, the Agency of Human Services may continue a housing assistance program within the General Assistance program to create flexibility to provide these General Assistance benefits. The purpose of the program is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. The program shall operate in a consistent manner within existing statutes and rules and policies effective on July 1, 2013, and any succeeding amendments thereto, and may create programs and provide services consistent with these policies. Eligible activities shall include, among others, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The program may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish outcomes and procedures for evaluating the program overall, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.

(c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of the General Assistance flexibility program.

Sec. E.321.1 GENERAL ASSISTANCE EMERGENCY HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2015 may be used for emergency housing in catastrophic situations, for the cold weather exemption, and, with supervisory

approval, for vulnerable populations without a catastrophic need as defined in emergency rules adopted by the Agency after July 1, 2013, except in instances when:

(1) appropriate shelter space, as defined in rules adopted by the Agency pursuant to subsection (c) of this section, is available; or

(2) the applicant household has caused its own loss of housing, as defined in rules adopted by the Agency pursuant to subsection (c) of this section.

(b) Except as described in subsection (a) of this section, the Agency may only provide General Assistance emergency housing benefits in catastrophic situations as defined in rules. The cold weather exemption issued by the Department for Children and Families' Economic Services Division dated October 25, 2012, and any succeeding amendments to it, shall remain in effect.

(c) The Agency shall adopt permanent rules pursuant to 3 V.S.A. chapter 25 that implement the eligibility system for emergency housing to vulnerable populations that do not have a catastrophic need established by emergency rules adopted after July 1, 2013. Until the Agency adopts permanent rules incorporating the eligibility system for emergency housing to vulnerable populations described in this section, the Agency shall continue to adopt emergency rules pursuant to 3 V.S.A. § 844, implementing such an eligibility system. Eligibility for vulnerable populations shall be limited to 28 calendar days and subject to available funds, supervisory review, and approval.

Sec. E.321.2 33 V.S.A. § 1114 is amended to read:

§ 1114. DEFERMENTS, MODIFICATIONS, AND REFERRAL

* * *

(b) The work requirements shall be either modified or deferred for:

* * *

(5) A participant who is needed in the home on a full or part-time basis in order to care for an ill or disabled parent, spouse, or child. In granting deferments, the Department shall fully consider the participant's preference as to the number of hours the participant is able to leave home to participate in work activities. A deferral or modification of the work requirement exceeding 60 days due to the existence of illness or disability pursuant to this subdivision shall be confirmed by the independent medical review of one or more physicians, physician assistants, advanced practice registered nurses, or other health care providers designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

* * *

(d) Absent an apparent condition or claimed physical, emotional, or mental condition, participants are presumed to be able-to-work. A participant shall have the burden of demonstrating the existence of the condition asserted as the basis for a deferral or modification of the work requirement. A deferral or modification of the work requirement exceeding 60 days due to the existence of conditions rendering the participant unable-to-work shall be confirmed by the independent medical review of one or more physicians, physician assistants, advanced practice registered nurses, or other health care providers designated by the Secretary of Human Services prior to receipt of continued financial assistance under the Reach Up program.

* * *

(f) As used in this section, "health care provider" means a person, partnership, or corporation, other than a facility or institution, licensed or certified or authorized by law to provide professional health care service in this State to an individual during that individual's medical care, treatment, or confinement.

Sec. E.324 HOME HEATING FUEL ASSISTANCE/LIHEAP

(a) For the purpose of a crisis set-aside, for seasonal home heating fuel assistance through December 31, 2014, and for program administration, the Commissioner of Finance and Management shall transfer \$2,550,000 from the Home Weatherization Assistance Trust Fund to the Home Heating Fuel Assistance Fund to the extent that federal LIHEAP or similar federal funds are not available. An equivalent amount shall be returned to the Home Weatherization Trust Fund from the Home Heating Fuel Assistance Fund to the extent that federal LIHEAP or similar federal funds are received. Should a transfer of funds from the Home Weatherization Assistance Trust Fund be necessary for the 2014–2015 crisis set-aside and for seasonal home heating fuel assistance through December 31, 2014 and if LIHEAP funds awarded as of December 31, 2014 for fiscal year 2015 do not exceed \$2,550,000, subsequent payments under the Home Heating Fuel Assistance Program shall not be made prior to January 30, 2015. Notwithstanding any other provision of law, payments authorized by the Office of Home Heating Fuel Assistance shall not exceed funds available, except that for fuel assistance payments made through December 31, 2014, the Commissioner of Finance and Management may anticipate receipts into the Home Weatherization Assistance Trust Fund.

Sec. E.324.1 33 V.S.A. § 2605 is amended to read:

§ 2605. BENEFIT AMOUNTS

* * *

(f) Households that make undesignated payments for energy for home heat in the form of rent and are participating in a public, subsidized, or Section 8 housing program shall be eligible for a nominal annual home heating fuel assistance benefit of ~~\$5.00~~ \$21.00.

(g) Residents of the dwelling unit who make reasonable compensation in the form of room rent and who are not members of the same household shall be eligible for an annual home heating fuel assistance benefit in the amount of ~~\$50.00~~ \$21.00.

(h) Households receiving benefits from 3SquaresVT whose head of household is not otherwise eligible for a fuel benefit under this section shall be eligible for a nominal annual home heating fuel assistance benefit of ~~\$3.00~~ \$21.00.

Sec. E 324.2 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it, if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.3 PLAN TO ADVANCE COORDINATION OF THE HOME HEATING FUEL ASSISTANCE PROGRAM AND THE HOME WEATHERIZATION ASSISTANCE PROGRAM

(a) The Commissioner for Children and Families, the Chief Administrator of the Office of Economic Opportunity, and the Director of the Office of Home Heating Fuel Assistance, shall develop a plan to advance the coordination of the Home Heating Fuel Assistance Program (HHFAP) and the Home Weatherization Assistance Program (HWAP). The plan shall include the programmatic and fiscal impacts and shall maximize coordination of the two programs in pursuit of the following objectives:

(1) to weatherize homes of low-income households to reduce energy consumption, resulting in a reduction in the financial burden for the weatherization customer;

(2) to adjust the HHFAP benefit after a home is weatherized to reflect fuel consumption costs and savings resulting from weatherization services;

(3) to identify an incentive for people to weatherize once the HWAP and HHFAP are more formally coordinated; and

(4) to adjust HHFAP payments to households residing in homes constructed to energy efficiency standards, to the extent that this information is available.

(b) On or before January 15, 2015, the Commissioner for Children and Families shall submit the plan described in subsection (a) of this section to the General Assembly.

Sec. E.325 Department for children and families – office of economic opportunity

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants Funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.326.1 [DELETED]

Sec. E.329 VERMONT VETERANS' HOME; REGIONAL BED CAPACITY

(a) The Agency of Human Services shall not include the bed count at the Vermont Veterans' Home when recommending and implementing policies that are based on or intended to impact regional nursing home bed capacity in the State.

Sec. E.330 Disabilities, aging, and independent living – advocacy and independent living

(a) Prior to the certification of any new adult day program, the Department shall require a demonstration that the new program is filling an unmet need for adult day services in a given geographic region.

Sec. E.330.1 [DELETED]

Sec. E.337 COMMUNITY HIGH SCHOOL OF VERMONT

(a) On or before July 15, 2014, the Commissioner of Corrections, in consultation with the Community High School of Vermont Board, shall prepare and submit a report to the Joint Legislative Corrections Oversight Committee on the current trends relating to the student population at the Community High School of Vermont. The report shall include the following:

(1) a detailed description of the School's programs, curriculum, and outcomes;

(2) data and projections on the student population, including the total number of students enrolled at the School, the number of students who are currently incarcerated, student ages, and the current cost per student;

(3) a comparison of the School's current cost per student with statewide education spending per student; and

(4) an analysis of the use of more efficient delivery systems, including technology.

(b) On or before January 1, 2015, the Joint Legislative Corrections Oversight Committee shall prepare and submit recommendations to the General Assembly based on the report submitted in subsection (a) of this section for a plan to fund programs and curriculum at the Community High School of Vermont. The Committee shall include recommendations whether the School may enroll students who are not in the custody of the Commissioner and who have not completed secondary education if space is available and no budget increase would be required.

Sec. E.338 2008 Acts and Resolves No. 179, Sec. 22(a), as amended by 2010 Acts and Resolves No. 157, Sec. 14, as further amended by 2012 Acts and Resolves No. 104, Sec. 38 and by 2013 Acts and Resolves No. 41, Sec. 1a, is amended to read:

(a) Secs. 11 and 12 of this act shall take effect on ~~July 1, 2014~~ July 1, 2016.

Sec. E.339 Corrections – Correctional services - out of state beds

(a) Of the funds appropriated in Sec. B.339 of this act, up to \$202,000 shall be used to fund the Windham County Electronic Monitoring Pilot Program as follows:

(1) up to \$147,200 shall be used to reimburse the State's Attorneys and Sheriffs for costs incurred by the Windham County Sheriff's Office for operation of the Windham County Electronic Monitoring Pilot Project.

(2) up to \$54,800 shall be used to reimburse the Joint Fiscal Office for a contract for evaluation of the pilot project.

Sec. E.339.1 13 V.S.A. § 7554c is added to read:

§ 7554c. WINDHAM COUNTY ELECTRONIC MONITORING PILOT PROGRAM

(a)(1) The Windham County Sheriff's Office (WCSO) shall establish and manage a two-year electronic monitoring pilot program in Windham County for the purpose of supervising persons ordered to be under electronic

monitoring as a condition of release pursuant to section 7554 of this title, to home detention pursuant to section 7554b of this title, and home confinement furlough pursuant to 28 V.S.A. § 808b. The program shall be a part of an integrated community incarceration program and shall provide 24-hours-a-day, seven-days-a-week electronic monitoring with supervision and immediate response.

(2) For purposes of this program:

(A) if electronic monitoring is ordered by the Court pursuant to section 7554 of this title, the Court shall use the criteria in section 7554b for determining whether home detention is appropriate;

(B) the seven-day waiting period under 7554b of this title shall not apply; and

(C) for persons who are under the custody of the Department of Corrections pursuant to section 7554b of this title and 28 V.S.A. § 808b, the WCSO shall notify the Department of any violations.

(b) The goal of the pilot program is to assist policymakers in determining whether electronically monitored home detention and home confinement can be utilized for pretrial detention and as a post-adjudication option to reduce recidivism, to improve public safety, and to save valuable bed space for detainees and inmates who should be lodged in a correctional facility. Additional benefits may include reducing transportation costs, increasing detainee access to services, reducing case resolution time, and determining if the program can be replicated statewide.

(c) The WCSO shall work with the Crime Research Group (CRG) for design and evaluation assistance. The program shall be evaluated by CRG to determine if the stated goals have been attained, the cost and savings of the program, identifying what goals or objective were not met and if not, what could be changed to meet the goals and objectives to ensure program success. The Joint Fiscal Office shall contract with the CRG to provide design and evaluation services.

(d) The pilot program shall be in effect from July 1, 2014, through June 30, 2016.

Sec. E.342 Vermont veterans' home – care and support services

(a) The Vermont Veterans' Home will use the Global Commitment funds appropriated in this section for the purpose of increasing the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.342.1 20 V.S.A. § 1713 is amended to read:

§ 1713. VERMONT VETERANS' HOME BOARD OF TRUSTEES

(a) The Vermont ~~veterans' home~~ Veterans' Home is governed by the Vermont ~~veterans' home board of trustees~~ Veterans' Home Board of Trustees.

(b) The ~~board~~ Board shall consist of ~~20~~ 21 members, ~~15 of whom shall be veterans who have been honorably discharged from any branch of the United States armed services, to:~~

(1) Twenty members shall be appointed by the ~~governor~~ Governor for staggered terms of three years, at least 15 of whom shall be veterans who have been honorably discharged from any branch of the U.S. Armed Forces. Each appointed trustee shall serve until a successor has been appointed. In the event a an appointed trustee vacates the ~~board~~ Board, is unable to serve, or is removed by the Governor for cause, the ~~governor~~ Governor shall appoint another trustee to serve the unexpired term of the departing trustee.

(2)(A) One member of the Board shall be a classified employee who has at least five years of service at the Home. This trustee shall be elected by a secret ballot administered by the Board and cast by the classified employees of the Home. This trustee shall not vote in case of a real or apparent conflict of interest, shall serve a term of three years and until a successor is elected, and may be removed by the Governor for cause.

(B) The Board shall give notice of a vacancy of this trustee position and hold an election no more than 30 days from the notice date. In the event this trustee vacates the Board, is unable to serve, or is removed by the Governor for cause, the classified employees of the Home shall elect another classified employee of the Home to serve the remainder of the unexpired term.

(c) The ~~board~~ Board shall ~~annually~~ annually elect ~~a president~~ President, a ~~vice president~~ Vice President, and a ~~secretary~~ Secretary from among its members. Eleven members shall constitute a quorum at all meetings; provided, however, if there is a vacancy on the ~~board~~ Board, the number of trustees constituting a quorum shall be one more than one-half the number of ~~appointed~~ the remaining trustees.

(d) Pursuant to 32 V.S.A. § 1010, trustees who are not ~~state~~ State employees shall be entitled to per diem and reimbursement for actual and necessary expenses incurred in connection with performing their duties under this chapter.

Sec. E.342.2 REPEAL

(a) On July 1, 2017, 20 V.S.A. § 1713(b)(2)(A)–(B) (creating the classified employee position on the Vermont Veterans' Home Board of

Trustees) is repealed and the requirement for a classified employee position on the Board shall cease.

Sec. E.342.3 20 V.S.A. § 1714 is amended to read:

§ 1714. POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Except as otherwise provided in this chapter, the Board shall have all powers necessary and convenient for governing the Home, providing services to veterans and other residents, and otherwise performing its duties under this chapter, including the authority to:

(1) Adopt policies, procedures, and bylaws regarding the operation of the Board and the operation and management of the Home.

(2) Receive, hold, accept, manage, and convey any interest in real or personal property acquired by the Home by gift, grant, purchase, devise, or otherwise for the purpose of managing the Home and providing services to veterans and such members of their families as the Board deems proper, under such conditions and regulations as the Board may from time to time prescribe. Included within the powers granted by this subdivision, and notwithstanding any other contrary provision of law, is the authority to apply and administer the real or personal property to further the purposes of the Home in accordance with the terms specified by gift, grant, or devise; provided that in the absence of specified terms, the ~~board~~ Board shall have the authority to apply and administer the property in the manner and for the purposes the Board deems appropriate. Also included within the powers granted in this subdivision is the authority to hold title to the real property originally conveyed to the Trustees of the Soldiers Home in Vermont by the Trenor W. Park Home for Destitute Children and Women by quitclaim deed dated January 15, 1887, which shall be administered in the manner provided by the gift.

(3) By written procedure, establish, revise, and collect charges for residential room and board. Charges collected under this subdivision shall be credited to special funds, established and administered pursuant to 32 V.S.A. chapter 7, subchapter 5, and shall be available to the Home to offset the cost of providing services.

(4) Recommend for appointment by the Governor a licensed nursing home administrator to serve as the ~~Commandant~~ Chief Executive Officer of the Home. The ~~Commandant~~ Chief Executive Officer shall be appointed for an indefinite term and shall be subject to removal, after consultation with the Governor, upon a majority vote of the ~~board~~ Board. The ~~Commandant~~ Chief Executive Officer shall be exempt from the State's classified service.

(5) ~~Contract for professional services necessary and appropriate for accounting and managing gifts, grants, or devises acquired by the Home~~ in a manner consistent with 3 V.S.A. chapter 14.

(6) Contract for managerial and administrative services, provided the contract is reviewed and either renewed or renegotiated each year by the Board in a manner consistent with 3 V.S.A. chapter 14.

(7) Contract with the federal Department of Veterans Affairs for services related to the purpose of the Home.

(8) ~~Contract for the services of a medical director.~~ [Repealed.]

(9) ~~Contract for chaplain services.~~ [Repealed.]

(10) Establish committees of the Board as necessary for the efficient and effective operation of the Home.

(11) Adopt rules in accordance with 3 V.S.A. chapter 25 for the purpose of administering the provisions of this chapter.

(12) Admit and care for veterans and other residents whose admission does not interfere with the Board's ability to serve its core mission of caring for veterans. No resident shall be admitted whose admission precludes federal funding or otherwise violates federal law or regulation governing the Vermont Veterans' Home.

Sec. E.342.4 20 V.S.A. § 1716 is amended to read:

§ 1716. ~~COMMANDANT~~ CHIEF EXECUTIVE OFFICER

The ~~commandant~~ Chief Executive Officer shall be the chief administrative officer of the ~~home~~ Home and shall exercise general supervision over the business and affairs of the ~~home~~ Home. In addition to other duties, the ~~commandant~~ Chief Executive Officer shall:

(1) Attend meetings of the ~~board~~ Board and act as its treasurer.

(2) Make reports concerning the ~~home~~ Home to the ~~board~~ Board at such times and in such detail as the ~~board~~ Board directs, together with recommendations the ~~commandant~~ Chief Executive Officer deems appropriate for the welfare and care of the residents of the ~~home~~ Home.

(3) Report annually to the ~~general assembly~~ legislative standing committees of jurisdiction regarding the ~~home's~~ Home's budget.

(4) Subject to approval of the ~~board~~ Board, appoint a deputy or an executive assistant, ~~and~~ a private secretary, ~~both~~ a Marketing and Admissions Coordinator, a Financial Director, an Environmental Services Manager, and a Nursing Services Director, all of whom shall be appointed for an indefinite

term and shall be subject to removal upon a majority vote of the ~~board~~ Board. These positions shall be exempt from the ~~state's~~ State's classified service.

(5) ~~Subject to approval of the board, appoint a director of nursing services, a personnel manager, a finance manager, a facilities manager, and~~ Appoint all other ~~staff~~ employees necessary for the efficient management of the ~~home~~ Home, all of whom shall be classified ~~state~~ State employees subject to the provisions of Vermont statutes.

(6) Supervise and direct all employees of the ~~home~~ Home and prescribe their duties not otherwise established by the ~~board~~ Board or by ~~state~~ State or federal law.

(7) Ensure that all laws, rules, regulations, and policies pertaining to the ~~home~~ Home are observed.

(8) Prepare policies related to operation of the ~~home~~ Home, subject to approval by the ~~board~~ Board.

(9) Collect all sums due and payable to the ~~home~~ Home and transfer the same to the ~~state treasurer~~ State Treasurer when received.

(10) Perform such other duties as may be directed by the ~~board~~ Board to carry out the purposes of this chapter.

(11) Report annually on or before July 1 to the Secretary of Administration, the House Committees on Appropriations, on General, Housing and Military Affairs, and on Government Operations, the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Government Operations on the number of employees who work at the Vermont Veterans' Home for 16 hours or fewer per week.

Sec. E.342.5 20 V.S.A. § 1717 is amended to read:

§ 1717. MANAGEMENT OF FUNDS

(a) Notwithstanding the provisions of subdivision 1714(2) of this chapter, all funds of the ~~home not already managed in accordance with subchapter 1 of chapter 7 of Title 32~~ Home, except residents' funds as described in subsection (e) of this section, shall be ~~transferred to~~ held by the ~~state treasurer to be~~ State Treasurer and credited to appropriate accounts established in compliance with subsection (b) of this section and 32 V.S.A. § 401(a).

(b) There are created one or more ~~special and permanent~~ funds to be held in trust ~~and administered pursuant to subchapter 5 of chapter 7 of Title 32~~. To these funds shall be credited ~~those~~ donations and endowments ~~transferred to the state treasurer in subsection (a) of this section and any future donations and endowments~~ to the ~~home~~ Home with and without specific restrictions on their

use. Interest and earnings ~~both prospectively and retrospectively earned on accruing to~~ the funds created by this subsection shall be credited to the respective fund. The funds deposited pursuant to this subsection shall not be considered funds of the ~~state~~ State and shall be used solely for the purposes of this chapter, subject to the terms and conditions of the gift and to the terms and conditions of the donation or endowment. Upon deposit with the State Treasurer's Office, the Home may request from the State Treasurer's Office and may retain locally up to \$10,000.00 of donations and endowments, which may be expended consistent with their applicable terms and conditions, for supporting residents of the home. The funds shall be maintained in an account pursuant to 32 V.S.A. § 431. The Chief Executive Officer shall make a report at each scheduled Board meeting of the locally retained donations and endowments. The report shall include any amounts requested by the Home from the State Treasurer's Office, the nature of the funds, the account balance, and any expenditures.

(c) Monies from the funds established by this section may be expended by the ~~home~~ Home upon submission of vouchers, submitted at the direction and with the approval of the ~~board~~ Board, to the ~~commissioner of finance and management~~ Commissioner of Finance and Management in compliance with 32 V.S.A. § 463, and issuance of warrants pursuant to 32 V.S.A. §§ 461 and 465. The ~~commissioner~~ Commissioner shall approve expeditiously any request for a release of funds if the request is in conformance with all applicable ~~state~~ State law.

(d) On no less than a quarterly basis, the ~~treasurer~~ Chief Executive Officer of the Home shall provide a statement of account activity and fund balances to the ~~board~~ Board.

(e) Notwithstanding ~~subchapter 1 of chapter 7 of Title 32~~ the provisions of 32 V.S.A. chapter 7, subchapter 1, the ~~home~~ Home is authorized to retain ~~those~~ funds when acting in a trustee capacity for individual residents of the ~~home~~ Home. Establishment and maintenance of accounts for this purpose shall be pursuant to 32 V.S.A. § 431 and any other relevant provisions of law.

(f) Notwithstanding ~~32 V.S.A. § 5(a)(3)~~, the \$1,000.00 limit for reporting pursuant to ~~that subdivision shall be \$10,000.00 as applied to the home~~ Grants, gifts, donations, loans, or other things of value may be accepted pursuant to the provisions of 32 V.S.A. § 5.

Sec. E.342.6 20 V.S.A. § 1719 is amended to read:

§ 1719. LEGAL ACTIONS

(a) Except for purposes of collecting charges due under subdivision ~~1714(a)(3)~~ 1714(3) of this ~~title~~ chapter, the ~~board~~ Board shall have no

independent authority to sue, be sued, complain, or defend in its own name or on behalf of the ~~home~~ Home. The ~~attorney general~~ Attorney General shall represent the ~~board~~ Board and the ~~home~~ Home in all civil actions as provided by law. Outside legal counsel may be obtained with the concurrence of the ~~attorney general~~ Attorney General.

* * *

Sec. E.342.7 32 V.S.A. § 5 is amended to read:

§ 5. ACCEPTANCE OF GRANTS

(a) No original of any grant, gift, loan, or any sum of money or thing of value may be accepted by any agency, department, commission, board, or other part of State government except as follows:

* * *

(3)(A) This section shall not apply to the following items, provided that the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities:

(i) the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less, ~~or to:~~

(ii) the acceptance by the Department of Forests, Parks and Recreation of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less, ~~provided that such acceptance will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities; or~~

(iii) the acceptance by the Vermont Veterans' Home of grants, gifts, donations, loans, or other things of value with a value of \$10,000.00 or less.

(B) The Secretary of Administration and Joint Fiscal Office shall be promptly notified of the source, value, and purpose of any items received under this subdivision. The Joint Fiscal Office shall report all such items to the Joint Fiscal Committee quarterly.

* * *

Sec. E.342.8 3 V.S.A. § 3002(b) is amended to read:

(b) The following units are attached to the ~~agency~~ Agency for administrative support:

(1) ~~Vermont veterans' home.~~ [Repealed.]

(2) ~~Governor's committee on children and youth.~~ [Repealed.]

(3) ~~Interdepartmental council on aging.~~ [Repealed.]

(4)-(17) [Repealed.]

(18) ~~Governor's committee on employment of the handicapped~~
Committee on Employment of Persons with Disabilities.

(19) [Repealed.]

(20) [Repealed.]

Sec. E.345 Green mountain care board

(a) The Green Mountain Care Board shall use the Global Commitment Funds appropriated in this section to encourage the formation and maintenance of public-private partnerships in health care, including initiatives to support and improve the health care delivery system.

Sec. E.345.1 8 V.S.A. § 4062(h) is amended to read:

(h)(1) ~~This~~ The authority of the Board under this section shall apply only to the rate review process for policies for major medical insurance coverage and shall not apply to the policy forms for major medical insurance coverage or to the rate and policy form review process for policies for specific disease, accident, injury, hospital indemnity, dental care, vision care, disability income, long-term care, student health insurance coverage, or other limited benefit coverage; to Medicare supplemental insurance; or to benefit plans that are paid directly to an individual insured or to his or her assigns and for which the amount of the benefit is not based on potential medical costs or actual costs incurred.

(2) The policy forms for major medical insurance coverage, as well as the policy forms, premium rates, and rules for the classification of risk for the other lines of insurance described in subdivision (1) of this subsection shall be reviewed and approved or disapproved by the Commissioner. In making his or her determination, the Commissioner shall consider whether a policy form, premium rate, or rule is affordable and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this State. The Commissioner shall make his or her determination within 30 days after the date the insurer filed the policy form, premium rate, or rule with the Department. At the expiration of the 30-day period, the form, premium rate, or rule shall be deemed approved unless prior to then it has been affirmatively approved or disapproved by the Commissioner or found to be incomplete. The Commissioner shall notify an insurer in writing if the insurer files any form, premium rate, or rule containing a provision that does not meet the standards expressed in this subsection. In such notice, the Commissioner shall state that a hearing will be granted within 20 days upon the insurer's written request.

(3) Medicare supplemental insurance policies shall be exempt only from the requirement in subdivisions (a)(1) and (2) of this section for the Green Mountain Care Board's approval on rate requests and shall be subject to the remaining provisions of this section.

Sec. E.345.2 2013 Acts and Resolves No. 79, Sec. 5b is amended to read:

Sec. 5b. STANDARDIZED HEALTH INSURANCE CLAIMS AND EDITS

(a)(1) As part of moving away from fee-for-service and toward other models of payment for health care services in Vermont, the Green Mountain Care Board, in consultation with the Department of Vermont Health Access, health care providers, health insurers, and other interested stakeholders, shall develop a complete set of standardized edits and payment rules based on Medicare or on another set of standardized edits and payment rules appropriate for use in Vermont. The Board and the Department shall adopt by rule the standards and payment rules that health care providers, health insurers, and other payers shall use beginning on January 1, ~~2015~~ 2016 and that Medicaid shall use beginning on January 1, 2017.

* * *

* * * LABOR * * *

Sec. E.400 21 V.S.A. § 1314(c) is amended to read:

(c) If an employing unit fails to comply adequately with the provisions of subsection (b) of this section and section 1314a of this title, the Commissioner shall determine the benefit rights of a claimant upon such information as is available. Prompt notice in writing of the determination shall be given to the employing unit. The determination shall be final with respect to a noncomplying employer as to any charges against its experience-rating record for benefits paid to the claimant before the week following the receipt of the employing unit's reply. The employing unit's experience rating record shall not be relieved of these charges, notwithstanding any other provision of this chapter, ~~unless the amount of benefits is recovered from the claimant, or unless the Commissioner determines that failure to comply was due to unavoidable accident or mistake.~~

Sec. E.400.1 21 V.S.A. § 1347(c) is amended to read:

(c) The person liable under this section shall repay such amount to the Commissioner for the ~~fund~~ Fund. In addition to the repayment, if the Commissioner finds that a person intentionally misrepresented or failed to disclose a material fact with respect to his or her claim for benefits, the person shall pay an additional penalty of 15 percent of the amount of the overpaid

benefits. Any additional penalty amount collected shall be deposited in the Fund. Such amount may be collectible by civil action in a Vermont ~~district or superior court~~ District or Superior Court, in the name of the Commissioner.

* * * K-12 EDUCATION * * *

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in this section for school health services, including school nurses, shall be used for the purpose of funding certain health-care-related projects. It is the goal of these projects to reduce the rate of uninsured or underinsured persons, or both, in Vermont and to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.1 UNIFORM CHART OF ACCOUNTS COMPLETION, TRANSITION, TRAINING, AND SUPPORT

(a) On or before June 30, 2015, GASB compliant Uniform Chart of Accounts and Financial Reporting requirements shall be established by the Agency of Education which shall:

(1) be comprehensive in respect to compliance with federal funds reporting requirements; and

(2) provide the financial information necessary for State and local education decision makers in regard to specific program costs and evaluation of student outcomes.

(b) The Agency of Education shall hire a contractor or contractors through the State's procurement process to assist them in the establishment and completion of the requirements of subsection (a) of this section. Contract deliverables shall include but not be limited to:

(1) a comprehensive accounting manual, with related business rules;

(2) specifications for school financial software; and

(3) a detailed transition and support plan that ensures local reporting entities required to record and report information consistent with requirements of subsection (a) of this section can fully comply on or before July 1, 2017.

Sec. E.500.2 EDUCATION ANALYST

(a) The establishment of one (1) new limited service exempt position – Education Analyst in the Agency of Education is authorized in fiscal year 2014. The position shall work across the Agency to create tools and indicators for use by education decision makers at the State and local level. The analyst will correlate and identify connections among the various functional areas within the Agency, including but not limited to student test scores, attendance, graduation and

continuation rates, demographics, district expenditures by category, and staffing patterns. The analyst will assist local and State level decision makers to assess the return on education dollars based on analysis of opportunities provided, cost-effectiveness, and outcomes for a given level of expenditure.

Sec. E.500.3 SUPPLEMENTAL PROPERTY TAX RELIEF FUND USE

(a) Of the special funds appropriated in Sec. B.500 of this act, \$3,500,000 is appropriated from the Supplemental Property Tax Relief Fund to be used as follows:

(1) in fiscal year 2015, the funds necessary to fund the analyst position established in Sec E.500.2 of this act.

(2) in fiscal year 2015, up to \$400,000 shall be used for Sec. E.500.1(a)-(b) of this act.

(3) any remaining funds in this appropriation shall carry forward for the purposes of this subdivision upon authorization of the General Assembly or the Joint Fiscal Committee if the legislature is not in session. The purpose is to improve the operation of the educational system leading to property tax relief, including:

(A) continuation of the analyst position established in Sec E.500.2 of this act;

(B) implementation of integrated systems to maintain financial data and longitudinal student data that enable measurement and district-to-district comparisons to support education-related decisions at the State and local levels;

(C) support for one-time investments to enhance the capacity of schools and the Agency of Education for continuous improvement toward reliable comparative data and accounting systems to improve fiscal decision making and increase fiscal transparency;

(D) investments and expenditures incurred in carrying out system changes; and

(E) incentives or rewards to control education spending while maintaining or improving outcomes for students.

(b) As part of the fiscal year 2016 budget presentation, the Agency shall include the amount of funds available from the appropriated fund for the purposes of subdivision (a)(3) of this section and any recommended expenditures of these funds in fiscal year 2016.

Sec. E.502 Education – special education: formula grants

(a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,537,222 shall be used by the Agency of Education in fiscal year 2015 as funding for 16 V.S.A.

§ 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d). In addition to funding for 16 V.S.A. § 2967(b)(2)–(6), up to \$181,438 may be used by the Agency of Education for its participation in the higher education partnership plan.

Sec. E.503 Education – state-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504 Education – adult education and literacy

(a) Of this appropriation, \$3,250,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 1049a(c), \$650,000 to pay college providers of the dual enrollment program on behalf of school districts, and \$100,000 to support the Vermont Virtual Learning Collaborative at the River Valley Regional Technical Center School District.

Sec. E.505 ADJUSTMENTS TO EDUCATION PAYMENTS

(a) For fiscal years 2014 and 2015 only, the Secretary of Education is authorized upon the request of a district to adjust any payment authorized under 16 V.S.A. § 4011 or 4028, if the Secretary determines that the following conditions have been met:

(1) The district requesting the adjustment has documented the request to the satisfaction of the Secretary.

(2) The request for an adjustment was made with the Agency within one year of the circumstance necessitating the adjustment.

(3) The adjustment request is not the result of knowing or willful misfeasance on the part of the district or its employees.

(4) The district has conducted regular audits of its operations.

(b) Any decision of the Secretary under this section shall be final.

Sec. E.512 Education – Act 117 cost containment

(a) Notwithstanding any other provision of law, expenditures made from this section shall be counted under 16 V.S.A. § 2967(b) as part of the State's 60 percent of the statewide total special education expenditures of funds which are not derived from federal sources.

Sec. E.513 Appropriation and transfer to education fund

(a) Pursuant to Sec. B.513, there is appropriated in fiscal year 2015 from the General Fund for transfer to the Education Fund the amount of \$295,816,793.

Sec. E.513.1 16 V.S.A. § 4025(a)(2) is amended to read:

(2) For each fiscal year, the amount of the general funds appropriated or transferred to the ~~education fund~~ Education Fund shall be ~~\$276,240,000.00~~ \$277,400,000.00 increased by the most recent New England economic project cumulative price index, as of November 15, for state and local government purchases of goods and services from fiscal year 2012 through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$72,857,163.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$10,129,837 is the "normal contribution," and \$62,727,326 is the "accrued liability contribution."

Sec. E.514.1 16 V.S.A. § 1944b is added to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS FUND

(a) There is established a Retired Teachers' Health and Medical Benefits Fund (Benefits Fund) to pay retired teacher health and medical benefits, including prescription drug benefits, when due in accordance with the terms established by the Board of Trustees of the State Teachers' Retirement System of Vermont pursuant to subsection 1942(p) and subdivision 1944(c)(12) of this title. The Benefits Fund shall be administered by the Treasurer.

(b) The Benefits Fund shall consist of:

(1) all monies remitted to the State on behalf of the members of the State Teachers' Retirement System of Vermont for prescription drug plans pursuant to the Employer Group Waiver Plan with Wrap pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003;

(2) any monies appropriated by the General Assembly for the purpose of paying the health and medical benefits for retired members and their dependents provided by subsection 1942(p) and subdivision 1944(c)(12) of this title;

(3) any monies pursuant to subsection (e) of this section;

(4) any monies the General Assembly transfers from the Supplemental Property Tax Relief Fund pursuant to 32 V.S.A. § 6075; and

(5) any monies pursuant to section 1944d of this title.

(c) No employee contributions shall be deposited in the Benefits Fund.

(d) Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year; provided, however, that any amounts received in repayment of interfund loans established under subsection (e) of this section may be reinvested by the State Treasurer.

(e) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan shall be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under 32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on investments made pursuant to 32 V.S.A. § 433. No interfund loans made under this authority shall, in the aggregate, exceed \$30,000,000.00.

(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in base appropriations, but not from the Education Fund, and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments shall be met in base appropriations by fiscal year 2024. To the extent that other revenue sources are identified, the General Fund obligation shall not be reduced, until all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied.

Sec. E.514.2 16 V.S.A. § 1944 is amended to read:

§ 1944. VERMONT TEACHERS' RETIREMENT FUND

(a) Fund. All of the assets of the system shall be credited to the ~~Vermont teachers' retirement fund~~ Vermont Teachers' Retirement Fund.

(b) Member contributions.

(1) Contributions deducted from the compensation of members shall be accumulated in the Fund and separately recorded for each member.

(2) The proper authority or officer responsible for making up each employer payroll shall cause to be deducted from the compensation of each group A member five and one-half percent of the member's earnable compensation ~~and~~; from each group C member with at least five years of membership service as of July 1, 2014, five percent of the member's earnable compensation; and from each group C member with less than five years of membership service as of July 1, 2014, six percent of the member's earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title. In determining the amount earnable by a member in a payroll period, the ~~board~~ Board may consider the rate of compensation payable to such member on the first day of a payroll period as continuing throughout the payroll period, and it may omit deduction from compensation for any period less than a full payroll period if a teacher was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one percent of the annual earnable compensation upon the basis of which such deduction is made. The actuary shall make annual valuations of the reduction to the recommended State contribution attributable to the increase from five to six percent, and the Board shall include the amount of this reduction in its written report pursuant to subsection 1942(r) of this title.

* * *

Sec. E.514.3 16 V.S.A. § 1944c is added to read:

§ 1944c. EMPLOYER CHARGES FOR FEDERAL GRANTS OR REIMBURSEMENTS

(a) Notwithstanding any provision of law to the contrary, effective on July 1, 2015, the employer retirement costs and administrative operating expenses related to the retirement plans applicable to those teachers whose funding is provided from federal grants or through federal reimbursement shall be paid by local school systems or educational entities that participate in the Vermont Teachers' Retirement Fund from those federal monies.

(b) The percentage rates to be applied shall be determined by an actuary approved by the Board of Trustees of the State Teachers' Retirement System of Vermont and shall be applied to the total earnable compensation of members prepared by the actuary in compliance with subsection 1942(r) of this title. The Secretary of Education shall annually provide an accounting of federal grants and federal reimbursements, by school system, upon which payment by the participating schools shall be determined.

(c) The State Treasurer and the Secretary of Education shall establish procedures for the collection and deposit of those monies in the State Teachers' Retirement System of Vermont. The Secretary of Education may delay implementation upon review of the federal grant program to permit timely and accurate claims for reimbursement of retirement expenses under a particular federal program in order to receive funding under that program. The Secretary of Education shall provide an annual report to the House and Senate Committees on Appropriations and on Education regarding progress in implementation of this section.

Sec. E.514.4 16 V.S.A. § 1944d is added to read:

§ 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE

The employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015 shall pay an annual assessment for those teachers' health and medical benefits. The assessment shall be the value, as approved annually by the Board of Trustees based on the actuary's recommendation, of the portion of future retired teachers' health and medical benefits attributable to those teachers for each year of service in the State Teachers' Retirement System of Vermont. The equivalent number for the June 30, 2013 valuation is \$1,072.00.

Sec. E.514.5 16 V.S.A. § 4001(6)(B)(ix) is added to read:

(ix) The assessment paid by the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015, pursuant to section 1944d of this title.

Sec. E.514.6 [DELETED]

* * * HIGHER EDUCATION * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay a total of 49.5 percent of this appropriation to the University of Vermont in equal amounts on or about the 15th day of each of the first six calendar months of the year, and a total of 50.5 percent of this appropriation to the University of

Vermont in equal amounts on or about the 15th day of each of the last six calendar months of the year. The effect of this schedule is a one-percent increase over fiscal year 2014, effective with the January 2015 payment.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

(c) If Global Commitment Fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other State funding sources.

(d) The University of Vermont will use the Global Commitment Funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high-quality health care services to Medicaid beneficiaries and to the uninsured or underinsured persons, or both, in Vermont and across the nation.

Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay a total of 49.5 percent of this appropriation to the Vermont State Colleges in equal amounts on or about the 15th day of each of the first six calendar months of the year, and a total of 50.5 percent of this appropriation to the Vermont State Colleges in equal amounts on or about the 15th day of each of the last six calendar months of the year. The effect of this schedule is a one-percent increase over fiscal year 2014, effective with the January 2015 payment.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.603 Vermont state colleges – allied health

(a) Disbursements made under this appropriation prior to January 1, 2015 shall be at the same level as in fiscal year 2014. Disbursements made on January 1, 2015 and later shall reflect a one-percent increase.

(b) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(c) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs which graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries and uninsured or underinsured persons, or both.

Sec. E.605 Vermont student assistance corporation

(a) The fiscal year 2015 appropriation is a one-percent increase over the fiscal year 2014 appropriation, starting on January 1, 2015. The fiscal year 2015 disbursements shall be paid as follows: 30 percent in July, or \$5,824,354; 30 percent in August, or \$5,824,354; 20 percent in November, or \$3,882,903; and 20 percent in January at the one-percent annualized increase, or \$3,979,976. All disbursements made after July 1, 2015 shall reflect an annualized one-percent increase over the fiscal year 2014 appropriation.

(b) Of this appropriation, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(c) Of this appropriation, not more than \$100,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

(d) Except as provided in subsections (b) and (c) of this section, not less than 93 percent of grants shall be used for direct student aid.

(e) Funds available to the Vermont Student Assistance Corporation pursuant to Sec. E.215(a) of this act shall be used for the purposes of 16 V.S.A. § 2856. Any unexpended funds from this allocation shall carry forward for this purpose.

Sec. E. 605.1 [DELETED]

Sec. E. 605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Of the Next Generation Funds appropriated in Sec. B1100(a)(3)(C) of this act, \$50,000 shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course as defined in 16 V.S.A. § 942(7) and § 944 or in early college as defined in 16 V.S.A. § 4011(e) and § 942(8) to be used for the purchase of books, transportation costs, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2015.

* * * NATURAL RESOURCES * * *

Sec. E.701 AGENCY OF NATURAL RESOURCES PAYMENT IN LIEU OF TAXES

(a) Appraisal moratorium. For the purpose of payments in lieu of taxes to municipalities in fiscal year 2015, lands held by the Agency of Natural Resources (ANR) and subject to the provisions of 32 V.S.A. § 3708(a)(1) shall be appraised at the fair market value of the land in fiscal year 2014, as certified by the Director of Property Valuation and Review, provided that in fiscal year 2015, such lands held by ANR shall be appraised at 102 percent of the fair market value of the land in fiscal year 2014. For lands held by ANR and subject to the provisions of 32 V.S.A. § 3708(a)(2), payments in lieu of taxes to municipalities in fiscal year 2015 shall be made as specified in 32 V.S.A. § 3708(a)(2).

(b) Appeals of appraisal. During the moratorium established under subsection (a) of this section, there shall be no right, in fiscal year 2015, for a municipality to appeal the appraised values of ANR lands certified by the Director of Property Valuation and Review in fiscal year 2014.

(c) Report to General Assembly. On or before November 15, 2014, the Division of Property Valuation and Review (PVR), the Agency of Natural Resources, and the Joint Fiscal Office in consultation with the Vermont League of Cities and Towns, shall submit to the House and Senate Committees on Natural Resources and Energy, the House Committee on Ways and Means, and the Senate Committee on Finance a report regarding the formula used by PVR to calculate ANR's annual payment in lieu of taxes. The report shall include:

(1) recommendations as to the formulas to be used for valuation of ANR lands and ANR PILOT payments in the future, including whether ANR lands should be assessed at full appraised value and not contingent on the current use value;

(2) if a change is recommended to the formula under subdivision (1) of this subsection, a proposal for implementing the new formula, including a schedule for transition to the new formula.

(d) Repeal. Subsections (a) and (b) of this section shall be repealed on July 1, 2015.

Sec. E.704 Forests, parks and recreation - forestry

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

Sec. E.706 Forests, parks and recreation – lands administration

(a) This Special Fund appropriation shall be authorized, notwithstanding the provisions of 3 V.S.A. § 2807(c)(2).

* * * COMMERCE AND COMMUNITY DEVELOPMENT * * *

Sec. E.800 VERMONT TRAINING PROGRAM

(a) Notwithstanding 10 V.S.A. § 531, the Secretary may authorize up to ten percent of the funds allocated within the Vermont Training Program for employers that meet at least one but fewer than three of the criteria specified within 10 V.S.A. § 531(b) and (c)(3).

Sec. E. 800.1 10 V.S.A. § 122 is amended to read:

§ 122. VERMONT CENTER FOR GEOGRAPHIC INFORMATION;
~~INCORPORATED~~; ESTABLISHMENT

(a) The ~~state~~ State of Vermont shall support a comprehensive strategy for the development and use of a geographic information system including:

* * *

(9) ~~Financing considerations.~~ [Repealed.]

* * *

(b) In order to develop and implement that strategy, and to ensure that all data gathered by state agencies that is relevant to the VGIS shall be in a form that is compatible with, useful to, and shared with that geographic information system, there is hereby established ~~a nonprofit public corporation to be known as the Vermont center for geographic information, hereinafter called "the center," as a body corporate and politic and a public instrumentality of the state as a division under the Agency of Commerce and Community Development~~ the Vermont Center for Geographic Information (the Center).

~~(c) The center shall be a nonprofit corporation and shall not have authority to issue any capital stock. The property of the center shall be used solely to promote its purposes as herein defined. The center shall assume title to property other than the data acquired by the state for the support of a geographic information system, but shall return title to such property to the state if the property is not used to promote the center's purposes as herein defined or upon any dissolution of the corporation. No part of the activities of the center shall consist of participating in or intervening in, including the~~

~~publishing or distribution of statements, any political campaign on behalf of any candidate for public office. Upon any dissolution of the corporation, any assets remaining after payment of or provision for its debts and liabilities shall be distributed according to applicable provisions of state law. No part of the net assets or net earnings of the center shall inure to the benefit of or be paid or distributed to any officer, director, or employee of the center, or to any donor to the center. The state reserves the right at any time to alter, amend, repeal or otherwise change the structure, organization, programs or activities of the center, including the power to terminate the corporation, subject to any limitation on the impairment of the obligations of any contract or contracts entered into by the center. [Repealed.]~~

Sec. E.800.2 10 V.S.A. § 123 is amended to read:

§ 123. POWERS AND DUTIES

~~(a) The center shall have all the general powers conferred by 11B V.S.A. § 3.02 and all amendments thereto, and all other powers necessary, desirable, or incidental fully to effectuate its corporate purposes except where otherwise limited by statute. [Repealed.]~~

* * *

~~(e) The center shall be subject to the provisions of 1 V.S.A. §§ 312-314 with respect to the right of the public to receive notice of and attend meetings, 1 V.S.A. §§ 315-320 with respect to the access of the public to its records and documents, and 1 V.S.A. § 172 regarding joint authority of the board. [Repealed.]~~

Sec. E. 800.3 3 V.S.A. § 2402 is amended to read:

§ 2402. CREATION OF AGENCY

~~(a) An agency of commerce and community development Agency of Commerce and Community Development is created consisting of the following:~~

* * *

~~(2) The department of housing and community affairs Department of Housing and Community Development.~~

* * *

~~(6) The Vermont Center for Geographic Information.~~

* * *

Sec. E. 800.4 3 V.S.A. § 2475 is added to read:

§ 2475. VERMONT CENTER FOR GEOGRAPHIC INFORMATION

The Vermont Center for Geographic Information is created as a division within the Agency of Commerce and Community Development and shall be administered and have the duties as set forth in 10 V.S.A. chapter 8 (geographic information).

Sec. E. 800.5 TRANSITIONAL PROVISIONS

(a) Funding. Funds appropriated in Sec. B.123 of this act shall be transferred as appropriate to the Agency of Commerce and Community Development to effectuate the transfer of the Vermont Center for Geographic Information, Incorporated to a division of the Agency as set forth in Sec. E.800.4 of this act, 3 V.S.A. § 2475. The fiscal year 2016 budget submission shall reflect the completed transfer to the Agency.

(b) Position creation and transfer.

(1) Within the Agency of Commerce and Community Development's Vermont Center for Geographic Information (VCGI) created under Sec. E.800.4 of this act, three (3) classified positions and one (1) exempt position are established, and two (2) classified positions are transferred and converted from the position pool of the Executive Branch of State government. The position titles shall be determined by the Secretary of the Agency of Commerce and Community Development in consultation with the Commissioner of Human Resources.

(2) Existing employees of the nonprofit Vermont Center for Geographic Information who hold positions similar to the positions established or transferred under subdivision (1) of this subsection shall be permitted to transfer to the positions within the VCGI established in subdivision (1) of this subsection upon the effective date of this section.

(c) Personnel location. The Secretary of Commerce and Community Development shall determine where the offices of the VCGI shall be housed.

(d) Assets and liabilities. The assets and liabilities of the VCGI shall become the assets and liabilities of the Agency of Commerce and Community Development.

(e) Legal and contractual obligations. The Executive Director of the VCGI, in consultation with the Secretary of Commerce and Community Development, shall identify all grants and contracts of the VCGI and create a plan to redesignate the Agency of Commerce and Community Development as the responsible entity. The plan shall ensure that all existing grantors, grantees, and contractors are notified of the redesignation.

Sec. E. 800.6 REPEAL

(a) 10 V.S.A. §§ 124 (Board of Directors), 125 (Officers), and 126 (Audit) are repealed.

Sec. E.801 8 V.S.A. § 6017(a)(1) is amended to read:

(a)(1) There is hereby created a fund to be known as the Captive Insurance Regulatory and Supervision Fund for the purpose of providing the financial means for the Commissioner of Financial Regulation to administer this chapter, chapter 142, and chapter 142A of this title and for reasonable expenses incurred in promoting the captive insurance industry in Vermont. The transfer of 11 percent of the premium tax under subsection 6014(h) of this title, and all fees and assessments received by the Department pursuant to the administration of these chapters shall be credited to this Fund. Of this amount, not more than ~~two~~ three percent of the premium tax under section 6014 may be ~~transferred to~~ expended by the Agency of Commerce and Community Development, with approval of the Secretary of Administration, for promotional expenses. All fees received by the Department from reinsurers who assume risk solely from captive insurance companies and are subject to the provisions of subsections 3634a(a) through (f) of this title, shall be deposited into the Captive Insurance Regulatory and Supervision Fund. All fines and administrative penalties, however, shall be deposited directly into the General Fund.

Sec. E.804 Community development block grants

(a) Community Development Block Grants shall carry forward until expended.

* * * TRANSPORTATION * * *

Sec. E.909 Transportation – central garage

(a) Of this appropriation, \$7,218,200 is appropriated from the Transportation Equipment Replacement Account within the Central Garage Fund for the purchase of equipment as authorized in 19 V.S.A. § 13(b).

Sec. E.915 Transportation – town highway aid program

(a) This appropriation is authorized, notwithstanding the provisions of 19 V.S.A. § 306(a).

Sec.F.100 10 V.S.A. chapter 12 is amended to read:

CHAPTER 12. VERMONT ECONOMIC DEVELOPMENT AUTHORITY

* * *

Subchapter 12. ~~Technology Loan~~ Vermont Entrepreneurial Lending Program

§ 280aa. FINDINGS AND PURPOSE

(a)(1) ~~Technology-based companies~~ Vermont-based businesses in seed, start-up, and growth stages are a vital source of innovation, employment, and economic growth in Vermont. The continued development and success of ~~this increasingly important sector of Vermont's economy~~ these businesses is dependent upon the availability of flexible, risk-based capital.

(2) Because the primary assets of ~~technology based companies~~ Vermont-based businesses in seed, start-up, and growth stages often consist almost entirely of intellectual property or insufficient tangible assets to support conventional lending, ~~such~~ these companies frequently ~~do~~ may not have access to conventional means of raising capital, such as asset-based bank financing.

(b) To support the growth of ~~technology based companies~~ Vermont-based businesses in seed, start-up, and growth stages and the resultant creation of high wage higher wage employment in Vermont, ~~a technology loan program is established under this subchapter~~ the General Assembly hereby creates in this subchapter the Vermont Entrepreneurial Lending Program.

§ 280bb. ~~TECHNOLOGY LOAN~~ VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created ~~a technology (TECH) loan program~~ the Vermont Entrepreneurial Lending Program to be administered by the Vermont ~~economic development authority~~ Economic Development Authority. The ~~program~~ Program shall seek to meet the working capital and capital-asset financing needs of ~~technology-based companies~~ Vermont-based businesses in seed, start-up, and growth stages. The Program shall specifically seek to fulfill capital requirement needs that are unmet in Vermont, including:

(1) loans up to \$100,000.00 to manufacturing businesses and software developers with innovative products that typically reflect long-term, organic growth;

(2) loans up to \$1,000,000.00 in growth-stage companies that do not meet the underwriting criteria of other public and private entrepreneurial financing sources; and

(3) loans to businesses that are unable to access adequate capital resources because the primary assets of these businesses are typically intellectual property or similar nontangible assets.

(b) The Vermont economic development authority Authority shall establish such adopt regulations, policies, and procedures for the program Program as are necessary to carry out the purposes of this subchapter. The authority's lending criteria shall include consideration of in state competition and whether a company has made reasonable efforts to secure capital in the private sector increase the amount of investment funds available to Vermont businesses whose capital requirements are not being met by conventional lending sources.

(c) When considering entrepreneurial lending through the Program, the Authority shall give additional consideration and weight to an application of a business whose business model and practices will have a demonstrable effect in achieving other public policy goals of the State, including:

(1) The business will create jobs in strategic sectors such as the knowledge-based economy, renewable energy, advanced manufacturing, wood products manufacturing, and value-added agricultural processing.

(2) The business is located in a designated downtown, village center, growth center, industrial park, or other significant geographic location recognized by the State.

(3) The business adopts energy and thermal efficiency practices in its operations or otherwise operates in a way that reflects a commitment to green energy principles.

(4) The business will create jobs that pay a livable wage and significant benefits to Vermont employees.

(d) The Authority shall include provisions in the terms of an loan made under the Program to ensure that a loan recipient shall maintain operations within the State for a minimum of five years from the date on which the recipient receives the loan funds from the Authority or shall otherwise be required to repay the outstanding funds in full.

* * *

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2014 fund transfers), C.101 (fiscal year 2014 reversions), C.102 (Legal Aid homeowner assistance allocation), C.103 (Secretary of State campaign finance system development), C.105 (ACCD Secretary cost allocation), C.106 (fiscal year 2014 supplemental one-time appropriations), C.106.1 (flood-related payment), C.106.2 (fiscal year 2014 economic development transfers), C.106.3 (fiscal year 2014 higher education trust fund contributions), C.108 (public retirement plan study), C.109 (committee on child protection), D.102 (tobacco litigation settlement fund balance), D.104 (General Fund and Transportation Fund Balance

reserves), D.105 (supplemental property tax relief fund repeals; fiscal year 2014 surplus), D.107 (deposit of settlement receipts), E.100.5 (Vermont Enterprise Fund), E.233 (Decommissioning Advisory Panel), E.500.2 (education analyst position), and E.505 (adjustments to education payments) of this act shall take effect on passage.

(b) Sec. E.100.6 (wood products manufacture incentive) shall take effect retroactively on January 1, 2014 and apply to tax year 2014.

(c) Sec. E.118.1 (mileage reimbursement report) shall take effect on passage and shall apply to the report due by January 15, 2014.

(d) Notwithstanding 1 V.S.A. § 214, Sec.126.1 (repeal of legislator eligibility to purchase State Employees Health Benefit Plan) shall take effect on passage and shall apply retroactively to January 1, 2014, except that members and session-only employees of the General Assembly who were enrolled in the State Employees Health Benefit Plan on January 1, 2014 may continue to receive coverage under the plan through the remainder of the 2014 plan year.

(e) Sec. E.228 (LIMA fees/transfer tax in General Fund balance reserve) shall take effect on passage and shall apply as of February 19, 2014.

(f) Sec. E.308 shall take effect on passage and shall apply to fiscal year 2014 and fiscal year 2015.

(g) Sec. E.701 (ANR pilot appraisal) shall take effect on passage and shall apply as of April 1, 2014.

(h) Secs. E.800.1 (10 V.S.A. § 122, GIS establishment), E.800.2 (10 V.S.A. § 123, GIS powers and duties), and E.800.6 (repeal) shall take effect on March 30, 2015.

(i) All remaining sections shall take effect on July 1, 2014.

*M. JANE KITCHEL
RICHARD W. SEARS, JR.
DIANE B. SNELLING*

Committee on the part of the Senate

*MARTHA P. HEATH
MITZI JOHNSON
PATRICK M. BRENNAN*

Committee on the part of the House

Addendum to the Report of Committee of Conference**H. 885**

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

By adding the following sections to be numbered Secs. E.500.4, E.500.5, E.500.6, E.500.7, and E.600.1 to read as follows:

Sec. E.500.4 16 V.S.A. § 176 is amended to read:

§ 176. POSTSECONDARY SCHOOLS CHARTERED IN VERMONT

* * *

(d) Exemptions. The following are exempt from the requirements of this section except for the requirements of subdivision (c)(1)(C) of this section:

(1) ~~Programs~~ Nondegree-granting and non-credit granting programs of education sponsored by a trade, labor, business, or professional organization that are conducted solely for that organization's membership or for members of the particular industries or professions served by that organization.

* * *

(m) Nothing in this chapter shall prohibit the State from participating in any interstate reciprocity agreement for the purpose of authorizing online postsecondary programs. For purposes of reciprocity between states for institutional authorization, the Secretary, or other Vermont agency as appropriate, shall investigate any complaints related to Vermont institutions participating in a recognized interstate reciprocity agreement.

Sec. E.500.5 16 V.S.A. § 176a(e) is amended to read:

(e) Exemptions. The following are exempt from the provisions of this section:

(1) ~~Programs~~ Nondegree-granting and noncredit-granting programs of education sponsored by a trade, labor, business, or professional organization that are conducted solely for that organization's membership or for members of the particular industries or professions served by that organization.

* * *

(6) Programs of education offered solely via the Internet or electronic media, provided that the program's home state has entered into an interstate reciprocity agreement with Vermont and the program:

(A) is a member in good standing of the agreement within the home state; and

(B) has no “physical presence” in Vermont as that term is defined in the agreement.

Sec. E.500.6 16 V.S.A. § 11(28) is amended to read:

(28) “State-placed student” means:

(A) a Vermont student who has been placed in a school district other than the district of residence of the student’s parent, parents, or guardian or in an approved residential facility by a Vermont ~~state~~ State agency, a Vermont licensed child placement agency, a designated community mental health agency, ~~or any other agency as defined by the Secretary,~~ or by a court of competent jurisdiction in another state, territory, or country; or

(B) a Vermont student who:

(i) is 18 years of age or older;

(ii) is living in a community residence as a result of placement by a Vermont ~~state~~ State agency, a Vermont licensed child placement agency, ~~or a designated community mental health agency,~~ or by a court of competent jurisdiction in another state, territory, or country, and whose residential costs are paid for in whole or in part by one of these agencies; and

(iii) resides in a school district other than the district of the student’s parent or parents; or

* * *

Sec. E.500.7 SPECIAL EDUCATION EXPENDITURES; PILOT PROGRAM; REPORT

(a) There is created a three-year pilot program designed to encourage reduced special education expenditures through the use of best practices to provide special education services in the general classroom setting. Pursuant to a process and criteria to be developed by the Secretary of Education and based upon the Schoolwide Integrated Framework for Transformation (SWIFT), the districts comprising the four supervisory unions currently engaged in implementing the SWIFT model may expend special education mainstream block grant funds received pursuant to 16 V.S.A. § 2961 in a manner other than as required by State Board of Education Rule 2366.2.

(b) To be eligible for the pilot program, all districts within a supervisory union shall submit a joint application providing information prescribed by the Secretary on or before September 1, 2014. The joint application shall:

(1) describe how the districts’ special education spending plan under the SWIFT model will be less costly than special education spending without using the SWIFT model;

(2) describe how the districts will serve students on individual education programs in a general classroom setting using the SWIFT model;

(3) describe the manner in which the districts shall measure student performance; and

(4) demonstrate how the use of the SWIFT model shall result in fewer students found to be in need of special education services at the end of the three-year pilot program.

(c) Beginning in 2015, annually on or before January 15 for the duration of the pilot program, the Secretary shall submit a report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance regarding the results of the pilot project and any recommendations for legislative action.

(d) This section is repealed on July 1, 2017.

Sec. E.600.1 16 V.S.A. § 2282(b) is amended to read:

~~(b) Except for those attending the college of medicine, the amount of tuition for eligible Vermont residents for attendance during each academic year shall be not more than 40 percent of the tuition charged to nonresident students. Tuition for eligible Vermont residents for shorter terms shall be no more per credit hour than that charged eligible Vermont residents during the academic year~~ A Vermont resident who is enrolled in the University as a full-time undergraduate student shall not pay tuition in an amount that exceeds 40 percent of the tuition charged to a nonresident student.

And by adding a new Sec. G.100(g) to read as follows and by relettering the remaining subsections to be alphabetically correct:

(g) Sec. E.600.1 (University of Vermont tuition) shall take effect on passage and shall not apply to students who are enrolled as of that date in the University of Vermont in (1) a distance education course or program; (2) a graduate program other than in the College of Medicine.

*M. JANE KITCHEL
RICHARD W. SEARS, JR.
DIANE B. SNELLING*

Committee on the part of the Senate

*MARTHA P. HEATH
MITZI JOHNSON
PATRICK M. BRENNAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered messaged to the House forthwith.

Secretary Directed to Inform the House of Completion of Business

On motion of Senator Campbell, the Secretary was directed to inform the House that the Senate has completed the business of the session and is ready on its part to adjourn *sine die*, pursuant to the provisions of J.R.S. 60.

Committee Appointed to Inform Governor of Completion of Business

On motion of Senator Campbell, the President appointed the following Five Senators as members of a Committee to wait upon His Excellency, Peter E. Shumlin, the Governor, and inform him that the Senate has completed the business of the session and is ready on its part to adjourn *sine die*, pursuant to the provisions of J.R.S. 60:

Senator Campbell
Senator Baruth
Senator Benning
Senator Ayer
Senator Snelling

Report of Committee

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the session and was ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 60, performed the duties assigned to it and escorted the Governor to the rostrum where he delivered his remarks in person.

Remarks of Governor

The Honorable Peter E. Shumlin, Governor of the State of Vermont, was escorted to the rostrum and briefly addressed the Senate.

Departure of Governor

The Governor, having completed the delivery of his message, was escorted from the Chamber by the Committee appointed by the Chair.

Final Adjournment

On motion of Senator Campbell, at six o'clock and one minute in the evening (6:01 P.M.), the Senate adjourned *sine die*, pursuant to the provisions of J.R.S. 60.

Messages Received After Final Adjournment

After final adjournment, the following messages were received by the Secretary:

Message from the House No. 87

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 60. Joint resolution relating to final adjournment of the General Assembly in 2014 .

And has adopted the same in concurrence.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 221. An act relating to providing statutory purposes for tax expenditures.

And has concurred therein.

Message from the House No. 88

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr President:

I am directed to inform the Senate that the House has on its part completed the business of the second half of the Biennial session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 60.

Message from the House No. 89

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 735. An act relating to Executive Branch and Judiciary fees.

And has adopted the same on its part.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 297. An act relating to duties and functions of the Department of Public Service.

And has adopted the same on its part.

The House has considered Senate proposal of amendment to the following House bill:

H. 552. An act relating to raising the Vermont minimum wage.

And has severally concurred therein.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twenty-seventh day of May, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 40. An act relating to establishing an interim committee that will develop policies to restore the 1980 ratio of state funding to student tuition at Vermont State Colleges and to make higher education more affordable.

S. 70. An act relating to the delivery of raw milk at farmers' markets.

S. 195. An act relating to increasing the penalties for second or subsequent convictions for disorderly conduct, and creating a new crime of aggravated disorderly conduct.

S. 211. An act relating to permitting of sewage holding and pumpout tanks for public buildings.

S. 225. An act relating to a report on recommended changes in the structure of Vermont State employment in order to reduce employment-related stress.

S. 234. An act relating to Medicaid coverage for home telemonitoring services.

S. 241. An act relating to binding arbitration for State employees.

S. 247. An act relating to the regulation of marijuana for symptom relief and dispensaries.

S. 291. An act relating to the establishment of transition units at State correctional facilities.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twenty-eighth day of May, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 86. An act relating to miscellaneous changes to election laws and to lobbyist reporting.

S. 168. An act relating to making miscellaneous amendments to laws governing municipalities.

S. 218. An act relating to temporary employees.

S. 256. An act relating to the solemnization of a marriage by a Judicial Bureau hearing officer.

S. 275. An act relating to the Court's jurisdiction over youthful offenders.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the fourth day of June, 2014 he approved and signed a bill originating in the Senate of the following title:

S. 208. An act relating to solid waste management.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the fifth day of June, 2014 he approved and signed a bill originating in the Senate of the following title:

S. 316. An act relating to child care providers.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the tenth day of June, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 239. An act relating to the regulation of toxic substances.

S. 281. An act relating to vision riders and a choice of providers for vision and eye care services.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the eleventh day of June, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 28. An act relating to gender-neutral nomenclature for the identification of parents on birth certificates.

S. 202. An act relating to the energy efficiency charge.

S. 263. An act relating to the authority of assistant judges in child support contempt proceedings.

S. 293. An act relating to reporting on population-level outcomes and indicators and on program-level performance measures.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twelfth day of June, 2014 he approved and signed a bill originating in the Senate of the following title:

S. 314. An act relating to miscellaneous amendments to laws related to motor vehicles.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the sixteenth day of June, 2014 he approved and signed a bill originating in the Senate of the following title:

S. 287. An act relating to involuntary treatment and medication.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the seventeenth day of June, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 184. An act relating to law enforcement policies on eyewitness identification and bias-free policing and on recording of custodial interrogations in homicide and sexual assault cases.

S. 264. An act relating to technical corrections to civil and criminal procedure statutes.

S. 295. An act relating to pretrial services, risk assessments, and criminal justice programs.

S. 308. An act relating to regulating precious metal dealers.

Message from the Governor

A message was received from His Excellency, the Governor, by Elizabeth Miller, acting Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twenty-fourth day of June, 2014 he approved and signed bills originating in the Senate of the following titles:

S. 220. An act relating to furthering economic development.

S. 221. An act relating to providing statutory purposes for tax expenditures.

S. 237. An act relating to civil forfeiture proceedings in cases of animal cruelty.

S. 299. An act relating to sampler flights.

Message from the House No. 90

A message was received from the House of Representatives by Ms. Melissa Kucserik, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on the May 9, 2014, he approved and signed bills originating in the House of the following titles:

H. 260. An act relating to credit for reinsurance.

H. 584. An act relating to municipal regulation of parking lots and meters.

H. 690. An act relating to the definition of serious functional impairment.

H. 888. An act relating to approval of amendments to the charter of the Town of Milton.

The Governor has informed the House that on May 10, 2014, he approved and signed bills originating in the House of the following titles:

H. 758. An act relating to notice of potential layoffs.

H. 795. An act relating to victim's compensation and restitution procedures.

H. 874. An act relating to consent for admission to hospice care and for DNR/COLST orders.

H. 875. An act relating to fines for driving with license suspended.

The Governor has informed the House that on May 14, 2014, he approved and signed bills originating in the House of the following titles:

H. 863. An act relating to public records.

H. 890. An act relating to approval of amendments to the charter of the City of Burlington regarding the redistricting of City election areas.

The Governor has informed the House that on May 20, 2014, he approved and signed bills originating in the House of the following titles:

H. 350. An act relating to the posting of medical unprofessional conduct decisions and to investigators of alleged unprofessional conduct.

H. 373. An act relating to updating and reorganizing Title 33.

H. 612. An act relating to Gas Pipeline Safety Program penalties.

H. 699. An act relating to temporary housing.

H. 870. An act relating to the merger of the Town of Pittsford and the Pittsford Fire District No. 1.

H. 892. An act relating to approval of the adoption and the codification of the charter of the Central Vermont Public Safety Authority.

H. 893. An act relating to approval of the adoption and the codification of the charter of the North Branch Fire District No. 1.

H. 894. An act relating to approval of amendments to the charter of the City of Montpelier and to merging the Montpelier Fire District No. 1 into the City of Montpelier.

The Governor has informed the House that on May 22, 2014, he approved and signed bills originating in the House of the following titles:

H. 123. An act relating to Lyme disease and other tick-borne illnesses.

H. 217. An act relating to smoking in lodging establishments, hospitals, and child care facilities, and on State lands.

H. 227. An act relating to licensing and regulating property inspectors.

H. 578. An act relating to administering State funds for loans to individuals for replacement of failed wastewater systems and potable water supplies.

H. 656. An act relating to professions and occupations regulated by the Office of Professional Regulation.

H. 695. An act relating to establishing a product stewardship program for primary batteries.

H. 728. An act relating to developmental services' system of care.

H. 765. An act relating to establishing new levels of law enforcement officer certification.

H. 877. An act relating to repeal of report requirements that are at least five years old.

The Governor has informed the House that on May 23, 2014, he approved and signed a bill originating in the House of the following title:

H. 497. An act relating to the open meeting law.

The Governor has informed the House that on May 27, 2014, he approved and signed bills originating in the House of the following titles:

H. 596. An act relating to miscellaneous amendments to health care laws.

H. 740. An act relating to transportation impact fees.

H. 809. An act relating to designation of new town centers and growth centers.

H. 823. An act relating to encouraging growth in designated centers and protecting natural resources.

The Governor has informed the House that on May 28, 2014, he approved and signed bills originating in the House of the following titles:

H. 270. An act relating to providing access to publicly funded prekindergarten education .

H. 483. An act relating to adopting revisions to Article 9 of the Uniform Commercial Code.

H. 555. An act relating to the commitment of a criminal defendant who is incompetent to stand trial because of a traumatic brain injury.

H. 869. An act relating to miscellaneous agricultural subjects.

H. 882. An act relating to compensation for certain State employees.

The Governor has informed the House that on June 2, 2014, he approved and signed a bill originating in the House of the following title:

H. 872. An act relating to the State's Transportation Program and miscellaneous changes to the State's transportation laws.

The Governor has informed the House that on June 3, 2014, he approved and signed bills originating in the House of the following titles:

H. 325. An act relating to the rights of children of arrested and incarcerated parents.

H. 501. An act relating to operating a motor vehicle under the influence of alcohol or drugs.

H. 581. An act relating to guardianship of minors.

H. 650. An act relating to establishing the Ecosystem Restoration and Water Quality Improvement Special Fund.

H. 881. An act relating to approval of the adoption and the codification of the charter of the Town of Westford.

The Governor has informed the House that on June 4, 2014, he approved and signed bills originating in the House of the following titles:

H. 526. An act relating to the establishment of lake shoreland protection standards.

H. 646. An act relating to unemployment insurance.

H. 884. An act relating to miscellaneous tax changes.

The Governor has informed the House that on June 9, 2014, he approved and signed bills originating in the House of the following titles:

H. 552. An act relating to raising the Vermont minimum wage.

H. 681. An act relating to the professional regulation for veterans, military service members, and military spouses .

H. 864. An act relating to capital construction and State bonding budget adjustment.

H. 885. An act relating to making appropriations for the support of government.

The Governor has informed the House that on June 10, 2014, he approved and signed bills originating in the House of the following titles:

H. 225. An act relating to a statewide policy on the use of and training requirements for electronic control devices.

H. 413. An act relating to the Uniform Collateral Consequences of Conviction Act.

The Governor has informed the House that on June 16, 2014, he approved and signed bills originating in the House of the following titles:

H. 297. An act relating to Vermont telecommunications policy.

H. 735. An act relating to Executive Branch and Judiciary fees.

The Governor has informed the House that on June 18, 2014, he approved and signed bills originating in the House of the following titles:

H. 88. An act relating to parental rights and responsibilities involving a child conceived as a result of a sexual assault.

H. 790. An act relating to Reach Up, Reach Ahead, and the Enhanced Child Care Services Subsidy Program.

CERTIFICATION

“STATE OF VERMONT

Office of the Secretary of the Senate
Senate Chamber
State House
Montpelier, VT 05633-5501

I hereby certify that the foregoing Journal is a true and correct record of the proceedings of the Senate of the State of Vermont for the second year of the biennial session of 2013, often referred to as the adjourned session of 2014.

This year was the second one of the seventy-second biennial session of the Vermont General Assembly, beginning on the ninth day of January, 2014, and ending on the tenth day of May, 2014.

Attest:

/s/John H. Bloomer, Jr.

JOHN H. BLOOMER, JR.
Secretary of the Senate”