Roll Call

Those Senators who voted in the affirmative were: Benning, Collamore, Degree, Flory, Kitchel, Rodgers.

Those Senators who voted in the negative were: Ashe, Ayer, Balint, Baruth, Bray, Campbell, Campion, Cummings, Doyle, Lyons, MacDonald, Mazza, Nitka, Pollina, Riehle, Sirotkin, Westman, White, Zuckerman.

Those Senators absent and not voting were: McAllister (suspended), McCormack, Mullin, Sears, Starr.

Thereupon, the bill was read the third time and passed on a roll call, Yeas 22, Nays 3.

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: Ashe, Ayer, Balint, Baruth, Benning, Bray, Campbell, Campion, Collamore, Cummings, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, Nitka, Pollina, Riehle, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Degree, Rodgers, Zuckerman.

Those Senators absent and not voting were: McAllister (suspended), McCormack, Mullin, Sears, Starr.

Message from the House No. 44

A message was received from the House of Representatives by Mr. Jeremy Weiss, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 853. An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes.

H. 876. An act relating to the transportation capital program and miscellaneous changes to transportation-related law.

H. 877. An act relating to transportation funding.

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

Adjournment

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

FRIDAY, APRIL 1, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Abigail Stockman of Barre.

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.

Brian Gilhuly of Warren
Zara Gill of Winooski
Abigail Grimm of Burlington
Emily Hathaway of Brandon
Morgan Marckres of Grand Isle
Avery Murray-Gurney of Hinesburg
Ryan McSweeney of Montpelier
Zoe Napier of Woodstock
Peyton Stephenson of Essex
Violet Tabacco of Montpelier

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 853.

An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes.

To the Committee on Education.

H. 876.

An act relating to the transportation capital program and miscellaneous changes to transportation-related law.

To the Committee on Transportation.

H. 877.

An act relating to transportation funding.

To the Committee on Rules pursuant to Temporary Rule 44A.

Proposals of Amendment; Third Reading Ordered

H. 531.

Senator MacDonald, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to aboveground storage tanks.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 10 V.S.A. § 1929a (c)(4), after the semicolon by striking out the word "and" and in subdivision (5), by striking out the period at the end of the subdivision and inserting in lieu thereof the following: ; and and by adding a new subdivision (6) to read as follows:

(6) requirements for the reuse of an aboveground storage tank removed under the requirement of subsection (g) of this section.

Second: In Sec. 1, 10 V.S.A. § 1929a, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) If the owner of any aboveground storage tank that serves a structure converts the type of fuel used for the structure from fuel oil or kerosene to natural gas so that the structure is no longer served for any purpose by the aboveground storage tank, the owner shall have the aboveground storage tank used to store fuel oil or kerosene and any fill pipes removed at the same time as the conversion. As used in this subsection, "structure" means any assembly of materials that is intended for occupancy or use by a person and that has at least three walls and a roof.

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.

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 Senators Campion and Sears,

By Representative Berry and others,

S.C.R. 41.

Senate concurrent resolution in memory of Manchester's pioneering developer Ben Hauben.

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 Donovan and others,

By Senators Ashe and Baruth,

H.C.R. 302.

House concurrent resolution congratulating the 2016 Burlington High School Seahorses Division I championship boys' basketball team.

By Representative French and others,

By Senator MacDonald,

H.C.R. 303.

House concurrent resolution honoring Donald and Allison Hooper on their special agricultural, civic, educational, and entrepreneurial contributions to Vermont.

By Representative Burditt and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 304.

House concurrent resolution honoring the Rutland Middle School's 8th Grade Unity Team for an exceptional effort in developing and implementing its 2016 Mock Vermont Legislature Project.

By Representative Haas,

By Senators McCormack, Campbell and Nitka,

H.C.R. 305.

House concurrent resolution congratulating the United Church of Bethel on its bicentennial anniversary.

By Representative O'Brien and others,

H.C.R. 306.

House concurrent resolution congratulating recent Vermont winners of the Girl Scout Gold Award.

By Representative Jewett and others,

H.C.R. 307.

House concurrent resolution recognizing the 2016 Middlebury Union High School Tigers boys' Nordic skiing team as the fastest Nordic skiers in the State of Vermont.

By Representative Keenan and others,

By Senator Degree,

H.C.R. 308.

House concurrent resolution congratulating Vinny Pigeon and Kasia Bilodeau as 2015 Special Olympics Vermont honorees.

By Representative Russell and others,

By Senators Collamore, Flory, Mullin, Ashe, Baruth, Lyons, MacDonald, McCormack, Nitka, Sirotkin, Snelling, Westman and Zuckerman,

H.C.R. 309.

House concurrent resolution congratulating the first Vermont Career and Technical Education Presidential Scholar nominees.

By Representative Myers and others,

H.C.R. 310.

House concurrent resolution congratulating the 2016 and three-time Division I Essex Hornets championship girls' ice hockey team.

By All Members of the House,

By Senators Ashe, Ayer, Balint, Baruth, Benning, Bray, Campbell, Campion, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White and Zuckerman,

H.C.R. 311.

House concurrent resolution designating March 30, 2016 as Alzheimer's Awareness and Advocacy Day in Vermont.

By Representative Klein and others,

By Senators Cummings, Doyle and Pollina,

H.C.R. 312.

House concurrent resolution congratulating the 2015 U-32 High School Raiders Division II championship girls' track and field team.

By Representative Klein and others,

By Senators Cummings, Doyle and Pollina,

H.C.R. 313.

House concurrent resolution congratulating the 2015 U-32 High School Raiders Division II championship boys' track and field team.

By Representative Myers and others,

H.C.R. 314.

House concurrent resolution congratulating the 2016 Essex High School gymnastics team on winning its 11th consecutive State championship.

By Representative French and others,

By Senators MacDonald, Campbell, McCormack and Nitka,

H.C.R. 315.

House concurrent resolution honoring Maurice Dickey Drysdale for his bold and dynamic leadership at the *Herald of Randolph*.

Message from the House No. 45

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 879. An act relating to the Health Care Fund contribution assessment and the taxation of e-cigarettes.

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

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 302. House concurrent resolution congratulating the 2016 Burlington High School Seahorses Division I championship boys' basketball team.

H.C.R. 303. House concurrent resolution honoring Donald and Allison Hooper on their special agricultural, civic, educational, and entrepreneurial contributions to Vermont.

H.C.R. 304. House concurrent resolution honoring the Rutland Middle School's 8th Grade Unity Team for an exceptional effort in developing and implementing its 2016 Mock Vermont Legislature Project.

H.C.R. 305. House concurrent resolution congratulating the United Church of Bethel on its bicentennial anniversary.

H.C.R. 306. House concurrent resolution congratulating recent Vermont winners of the Girl Scout Gold Award.

H.C.R. 307. House concurrent resolution recognizing the 2016 Middlebury Union High School Tigers boys' Nordic skiing team as the fastest Nordic skiers in the State of Vermont.

H.C.R. 308. House concurrent resolution congratulating Vinny Pigeon and Kasia Bilodeau as 2015 Special Olympics Vermont honorees.

H.C.R. 309. House concurrent resolution congratulating the first Vermont Career and Technical Education Presidential Scholar nominees.

H.C.R. 310. House concurrent resolution congratulating the 2016 and three-time Division I Essex Hornets championship girls' ice hockey team.

H.C.R. 311. House concurrent resolution designating March 30, 2016 as Alzheimer's Awareness and Advocacy Day in Vermont.

H.C.R. 312. House concurrent resolution congratulating the 2015 U-32 High School Raiders Division II championship girls' track and field team.

H.C.R. 313. House concurrent resolution congratulating the 2015 U-32 High School Raiders Division II championship boys' track and field team.

H.C.R. 314. House concurrent resolution congratulating the 2016 Essex High School gymnastics team on winning its 11th consecutive State championship.

H.C.R. 315. House concurrent resolution honoring Maurice Dickey Drysdale for his bold and dynamic leadership at the *Herald of Randolph*.

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. 41. Senate concurrent resolution in memory of Manchester's pioneering developer Ben Hauben.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Campbell, the Senate adjourned, to reconvene on Tuesday, April 5, 2016, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 49.

TUESDAY, APRIL 5, 2016

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.

Bill Referred to Committee on Rules

S. 180.

Senate bill of the following title, appearing on the Calendar for notice, under Temporary Rule 44A, was referred to the Committee on Rules:

An act relating to increasing General Fund appropriations to the Vermont State Colleges.

Bill Referred

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

H. 879. An act relating to the Health Care Fund contribution assessment and the taxation of e-cigarettes.

To the Committee on Rules pursuant to Temporary Rule 44A.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 50.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senators Baruth and Benning,

J.R.S. 50. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 8, 2016, it be to meet again no later than Tuesday, April 12, 2016.

Bill Passed in Concurrence with Proposal of Amendment

H. 531.

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

An act relating to aboveground storage tanks.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 6, 2016.

WEDNESDAY, APRIL 6, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Taehaku of East Calais.

Message from the House No. 46

A message was received from the House of Representatives by Mr. Jeremy Weiss, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 863. An act relating to making miscellaneous amendments to Vermont's retirement laws.

H. 878. An act relating to capital construction and State bonding budget adjustment.

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

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 863.

An act relating to making miscellaneous amendments to Vermont's retirement laws.

To the Committee on Rules pursuant to Temporary Rule 44A.

H. 878.

An act relating to capital construction and State bonding budget adjustment.

To the Committee on Institutions.

House Bill Recommitted

H. 622.

House bill entitled:

An act relating to obligations for reporting child abuse and neglect and cooperating in investigations of child abuse and neglect.

Was taken up.

Thereupon, pending third reading of the bill, on motion of Senator Pollina, the bill was recommitted to the Committee on Health and Welfare.

Proposal of Amendment; Third Reading Ordered

H. 458.

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

An act relating to automatic voter registration through motor vehicle driver's license applications.

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. 17 V.S.A. § 2145a is amended to read:

§ 2145a. REGISTRATIONS AT THE DEPARTMENT OF MOTOR VEHICLES

(a) An application for, or renewal of, a motor vehicle driver's license or nondriver identification card shall serve as a simultaneous application to register to vote unless the applicant ~~declines to sign the voter registration portion of the application~~ checks the box on the application designating that he or she declines to use the application as a voter registration application.

(b)(1) ~~The voter registration portion of the~~ A motor vehicle driver's license or nondriver identification card application shall provide and request the

following information ~~required to be provided under section 2145 of this chapter~~ and shall be in the form approved by the Secretary of State:

(A) The applicant's citizenship.

(B) The applicant's place and date of birth.

(C) The applicant's town of legal residence.

(D) The applicant's street address or a description of the physical location of the applicant's residence. The description must contain sufficient information so that the town clerk can determine whether the applicant is a resident of the town.

(E) The voter's oath.

(F) The applicant's e-mail address, which shall be optional to provide.

(2) A motor vehicle driver's license or nondriver identification card application shall provide the following statements:

(A) "By signing and submitting this application, you are authorizing the Department of Motor Vehicles to transmit this application to the Secretary of State for voter registration purposes. YOU MAY DECLINE TO REGISTER. Both the office through which you submit this application and your decision of whether or not to register will remain confidential and will be used for voter registration purposes only."

(B) "In order to be registered to vote, you must: (1) be a U.S. citizen; (2) be a resident of Vermont; (3) have taken the voter's oath; and (4) be 18 years of age or older. Any person meeting the requirements of (1)–(3) who will be 18 years of age on or before the date of a general election may register and vote in the primary election immediately preceding that general election. Failure to decline to register is an attestation that you meet the requirements to vote."

(3) A motor vehicle driver's license or nondriver identification card application shall provide the penalties provided by law for submission of a false voter registration application and shall require the signature of the applicant, under penalty of perjury.

* * *

(d)(1) The Department of Motor Vehicles shall transmit ~~voter registration~~ motor vehicle driver's license and nondriver identification card applications received under this section to the Secretary of State not later than five days after the date the application was accepted by the Department, or before the date of any primary or general election, whichever is sooner.

(2) The Department of Motor Vehicles shall not transmit motor vehicle driver's license and nondriver identification card applications when the applicant has designated that he or she declines to be registered.

(3) The Department of Motor Vehicles shall ensure confidentiality of records as required by subdivision (b)(2)(A) of this section.

* * *

(f) In transmitting applications received under this section, the Secretary shall ensure compliance with the requirements of 15 V.S.A. chapter 21, subchapter 3.

(g) The Secretary shall take appropriate measures to educate the public about voter registration under this section.

Sec. 2. 17 V.S.A. § 2145 is amended to read:

§ 2145. APPLICATION FORMS

(a) The voter registration application shall be in the form approved by the Federal Election Commission or by the Secretary of State. The application form approved by the Secretary shall include:

* * *

(2) The voter's oath ~~and a space for a person administering the voter's oath to another to execute the written notification required by section 2124 of this title~~.

* * *

(4) The following statements:

(A) "If you were ~~provided with this form when you applied for, or renewed, a motor vehicle driver's license or were~~ provided with this application form by a voter registration agency, you may decline to register. If you decline to register, your failure to register will remain confidential and will be used only for voter registration purposes."

(B) "If you are submitting this application ~~in connection with a motor vehicle driver's license application, or renewal, or~~ through a voter registration agency, the office through which you submitted this application will remain confidential and will be used only for voter registration purposes."

(5) ~~The following statement on applications provided by the Department of Motor Vehicles: "Keep this receipt and take it to the polls when you go to vote. This is proof you submitted an application for registration."~~ [Repealed.]

* * *

(f) A person who makes a false statement in completing a voter registration application form or the voter registration portion of an application for a motor vehicle driver's license or nondriver identification card knowing the statement to be false shall be subject to the penalties of perjury as provided in 13 V.S.A. § 2901, except that a person who is not eligible to register to vote and who otherwise completes the application accurately shall not be considered to have made a false statement under this subsection by his or her unintentional failure to decline to register on a motor vehicle driver's license or nondriver identification card application under section 2145a of this chapter.

* * *

Sec. 3. 17 V.S.A. § 2124 is amended to read:

§ 2124. VOTER'S OATH OR AFFIRMATION; HOW ADMINISTERED; APPLICATION

* * *

(b) ~~A person who administers the voter's oath or affirmation to another shall forthwith sign the appropriate place on the application or sign some other written notification giving the person's name and the date the oath or affirmation was administered.~~ [Repealed.]

(c) At a minimum, the town clerk shall keep the completed applications for addition to the checklist, or an electronic copy thereof, through the end of the general election cycle that follows the one in which the application was received. ~~If the written notification that a person has taken the oath or affirmation is submitted separately from the application, it shall be filed along with the application.~~ The town clerk shall verify, upon request, that a voter has been given the oath or affirmation.

Sec. 4. 17 V.S.A. § 2144a is amended to read:

§ 2144a. REGISTRATION

A person who desires to register to vote may apply in any of the following ways:

(1) Simultaneously with his or her application for, or renewal of, a motor vehicle driver's license or nondriver identification card as provided in section 2145a of this chapter.

* * *

Sec. 5. 23 V.S.A. § 603(a)(4) is added to read:

(4) Any new or renewal application form shall provide for and request the information required in 17 V.S.A. § 2145a.

Sec. 6. 1 V.S.A. § 317(c) is amended to read:

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

* * *

(31) Records of a registered voter's month and day of birth, motor vehicle operator's license number, and the last four digits of the applicant's Social Security number contained in an application to the statewide voter checklist or the statewide voter checklist established under 17 V.S.A. § 2154 or the failure to register to vote under 17 V.S.A. § 2145a.

* * *

Sec. 7. SECRETARY OF STATE; STUDY

The Secretary of State shall consult with the Office of the Attorney General to examine ways in which to register persons 16 years of age who will be 18 years of age on or before the next general election. The Secretary of State shall issue a report to the Senate and House Committees on Government Operations on or before January 15, 2017.

Sec. 8. EFFECTIVE DATES

(a) This section and Sec. 7 (secretary of state study) shall take effect on passage.

(b) The remainder of the act shall take effect on July 1, 2017.

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 pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Government Operations?, Senators Benning, Collamore, Pollina, and White moved to amend the recommendation of amendment of the Committee on Government Operations as follows:

In Sec. 1, 17 V.S.A. § 2145a (Department of Motor Vehicles registration), by striking out subsection (g) in its entirety and inserting in lieu thereof two new subsections to be subsections (g) and (h) to read as follows:

(g) If a person who is ineligible to vote becomes registered to vote pursuant to this section in the absence of a violation of subsection 2145(f) of this chapter, that person's registration shall be presumed to have been effected with official authorization and not the fault of that person.

(h) The Secretary shall take appropriate measures to educate the public about voter registration under this section.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Government Operations, as amended was agreed to.

Thereupon, third reading of the bill was ordered.

Third Reading Ordered

H. 747.

Senator Sirotkin, for the Committee on Finance, to which was referred House bill entitled:

An act relating to the State Treasurer's authority to intercept State funding to a municipality or school district in default from a Municipal Bond Bank borrowing.

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.

Proposal of Amendment; Third Reading Ordered

H. 517.

Senator Campion, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to the classification of State waters.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 10 V.S.A. § 1252, in subsection (a), after the following: "Class B(1): Waters in which one or more uses are of" and before the following: "higher quality than Class B(2) waters" by inserting the following: demonstrably and consistently

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.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock in the afternoon on Thursday, April 7, 2016.

THURSDAY, APRIL 7, 2016

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. 47

A message was received from the House of Representatives by Mr. Jeremy Weiss, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

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

J.R.S. 45. Joint resolution relating to the transfer of two State-owned parcels of land to the Town of Duxbury.

J.R.S. 50. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

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

H. 84. An act relating to internet dating services.

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

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 458.

House bill entitled:

An act relating to automatic voter registration through motor vehicle driver's license applications.

Was taken up.

Thereupon, pending third reading of the bill, Senator Benning, Bray, Collamore, Pollina, and White moved to amend the Senate proposal of amendment as follows:

First: By adding a new section to be numbered Sec. 7a to read as follows:

Sec. 7a. 17 V.S.A. § 2546a is added to read:

§ 2546a. DAY PRECEDING ELECTION; DEPOSIT OF EARLY VOTER ABSENTEE BALLOTS IN VOTE TABULATOR

(a) Generally. Notwithstanding any provision of law to the contrary, if a town will be using a vote tabulator for the registering and counting of votes in the upcoming election and will check in early voter absentee ballots in accordance with subsection 2546(a) of this chapter for that election, the board of civil authority may vote to permit elections officials to deposit those early voter absentee ballots into the vote tabulator in accordance with the provisions of this section. This depositing of these ballots shall take place at the town clerk's office on the day preceding the election.

(b) Notice.

(1) If a board of civil authority votes to deposit ballots as described in subsection (a) of this section, the town clerk shall post notice that ballots will be so deposited in at least two public places in the municipality and in or near the town clerk's office not less than 30 nor more than 40 days before the election. If a municipality has more than one polling place and the polling places are not all in the same building, the notice shall be posted in at least two public places within each voting district and in or near the town clerk's office.

(2) In addition, at least five days before the day preceding the election, the notice shall be published in a newspaper of general circulation in the municipality and on the municipality's website, if the municipality actively updates its website on a regular basis.

(3) The notice shall include the date and time for the count, inspection, and depositing of the ballots and the location of the town clerk's office.

(c) Officials. The town clerk and at least two other election officials, from different political parties to the extent practicable, shall be present for the inspection of the sealed certificate envelopes and the processing of the ballots described in this section.

(d) Count and inspection. On the day preceding the election, at least one hour prior to depositing the ballots in the vote tabulator, the town clerk and the election officials shall:

(1) first open the secure container marked "checked in early voter absentee ballots," count the sealed certificate envelopes containing those ballots, and record the number counted; and

(2) permit these sealed certificate envelopes to be inspected by members of the public.

(e) Processing.

(1) Immediately after the expiration of the period for the count and inspection described in subsection (d) of this section, the town clerk and election officials shall open each sealed certificate envelope containing an early voter absentee ballot and deposit each ballot into a vote tabulator.

(2) The town clerk and the election officials shall ensure that all procedures for handling ballots are followed to the fullest extent practicable.

(3) At the end of the processing, the town clerk shall verify that the vote tabulator's memory card is locked in place and shall sign a statement verifying how many early voter absentee ballots were counted by the vote tabulator and that the memory card is so locked. The town clerk shall compare the vote tabulator's number of counted ballots to the original count of those ballots described in subsection (d) of this section.

(f) Security. The town clerk shall otherwise comply with all provisions of this title relating to the security of the vote tabulator.

(g) Election day. On the day of the election, when the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number that the town clerk verified the tabulator counted on the preceding day.

(h) Rules. The Secretary of State may adopt rules to implement the provisions of this section.

Second: In Sec. 8 (effective dates), by adding a new subsection to be subsection (b) to read as follows:

(b) Sec. 7a, 17 V.S.A. § 2546a, shall take effect on January 1, 2017.

And by relettering current Sec. 8(b) to be Sec. 8(c).

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 28, Nays 0.

Senator Degree 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, Balint, Baruth, Benning, Bray, Campbell, Campion, Collamore, Cummings, Degree,

Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: McAllister (suspended), Riehle.

Bill Passed in Concurrence with Proposal of Amendment

H. 517.

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

An act relating to the classification of State waters.

Bill Passed in Concurrence

H. 747.

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

An act relating to the State Treasurer's authority to intercept State funding to a municipality or school district in default from a Municipal Bond Bank borrowing.

Proposal of Amendment; Third Reading Ordered

H. 530.

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

An act relating to categorization of State contracts for service.

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. 3 V.S.A. § 311 is amended to read:

§ 311. CLASSIFIED SERVICE DEFINED; EXCEPTIONS

(a) The classified service to which this chapter shall apply shall include all positions and categories of employment by the ~~state~~ State, except as otherwise provided by law, and except the following:

* * *

(10) A person or persons engaged under retainer, contract for services as defined in section 341 of this title, or special agreement~~, when certified to the secretary of administration by the attorney general that such engagement is not~~

~~contrary to the spirit and intent of the classification plan and merit system principles and standards provided by this chapter~~.

* * *

Sec. 2. 3 V.S.A. § 341 is amended to read:

§ 341. DEFINITIONS

As used in this chapter:

(1) "Agency" means any agency, board, department, commission, committee, or authority of the ~~executive branch~~ Executive Branch of ~~state~~ State government.

(2) "Personal services contract" ~~or "contract"~~ means ~~an agreement or combination or series of agreements, by which an entity or individual who is not a state employee agrees with an agency to provide services, valued at $10,000.00 or more per year~~ a contract for services that is categorized as personal services in accordance with procedures developed by the Secretary of Administration and is consistent with subdivisions 342(1), (2), and (3) of this title.

(3) "Privatization contract" means a ~~personal services~~ contract ~~by which an entity or an individual who is not a state employee agrees with an agency to provide services,~~ for services valued at ~~$20,000.00~~ $25,000.00 or more per year, which ~~are~~ is the same or substantially similar to and in lieu of services previously provided, in whole or in part, by permanent, classified ~~state~~ State employees, and which ~~result~~ results in a reduction in force of at least one permanent, classified employee, or the elimination of a vacant position of an employee covered by a collective bargaining agreement.

(4) "Contract for services" means an agreement or combination or series of agreements by which an entity or individual agrees with an agency to provide services as a contractor, rather than as an employee.

Sec. 3. 3 V.S.A. § 342 is amended to read:

§ 342. CONTRACTING STANDARDS; ~~PERSONAL SERVICES~~ CONTRACTS FOR SERVICES

Each contract for services valued at $25,000.00 or more per year shall require certification by the Office of the Attorney General to the Secretary of Administration that such contract for services is not contrary to the spirit and intent of the classification plan and merit system and standards of this title. A ~~personal services~~ contract for services is contrary to the spirit and intent of the classification plan and merit system and standards of this title, and shall not be certified by the Office of the Attorney General ~~under subdivision 311(a)(10) of~~

~~this title~~ as provided in this subsection, unless the provisions of subdivisions (1), (2) and (3) of this subsection are met, or one or more of the exceptions described in subdivision (4) of this subsection apply.

* * *

Sec. 4. 3 V.S.A. § 344 is amended to read:

§ 344. CONTRACT ADMINISTRATION

(a) The Secretary of Administration shall maintain a database with information about contracts for services, including approved privatization contracts and approved personal services contracts. The Secretary shall also maintain a database with information about privatization contracts which are rejected because they fail to qualify under subdivision 343(2) of this title. Contracts maintained in the database shall be public record to the extent provided under 1 V.S.A. chapter 5, and shall be located at the agency of origin, including information about names of contractors, summaries of work to be performed, costs, and duration.

(b) The information on contracts maintained in the database shall be reported to the 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. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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.

Adjournment

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

FRIDAY, APRIL 8, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Michael Austinowitz of Montpelier.

Message from the House No. 48

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 93. An act relating to increasing the smoking age from 18 to 21 years of age.

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

Message from the House No. 49

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 865. An act relating to promoting workforce housing.

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

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 316. House concurrent resolution honoring Zachariah Fike and his Purple Hearts Reunited organization.

H.C.R. 317. House concurrent resolution honoring the Vermont Network Against Domestic and Sexual Violence on its 30th anniversary.

H.C.R. 318. House concurrent resolution congratulating the Vermont Agency of Transportation on receiving a $10 million federal Transportation Infrastructure Generating Economic Recovery grant to help complete the western rail corridor from Rutland to Burlington.

H.C.R. 319. House concurrent resolution congratulating the 2016 College of St. Joseph Lady Saints United States Collegiate Athletic Association Division II championship women’s basketball team.

H.C.R. 320. House concurrent resolution designating April 5, 2016 as National Service Day in Vermont.

H.C.R. 321. House concurrent resolution commemorating the bicentennial anniversary of the former Concord Corner Congregational Church building.

H.C.R. 322. House concurrent resolution commemorating former President Calvin Coolidge's historic 1928 presidential trip to Cuba.

H.C.R. 323. House concurrent resolution congratulating the 2016 U-32 High School Raiders Division II championship boys' ice hockey team.

H.C.R. 324. House concurrent resolution congratulating the 2016 Bellows Free Academy–St. Albans Bobwhites Division I championship boys' hockey team.

H.C.R. 325. House concurrent resolution recognizing all Vermont firefighters, police officers, and emergency medical service (EMS) personnel for the professional level of service they provide to their communities.

H.C.R. 326. House concurrent resolution congratulating the American Tree Farm System on its 75th anniversary.

H.C.R. 327. House concurrent resolution honoring the entrepreneurship of Maple Sugar & Vermont Spice in Mendon.

H.C.R. 328. House concurrent resolution congratulating the 2016 U-32 High School Division II girls' championship Nordic ski team.

H.C.R. 329. House concurrent resolution congratulating Vermont Law School on the inauguration of its solar energy project.

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

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 93.

An act relating to increasing the smoking age from 18 to 21 years of age.

To the Committee on Rules pursuant to Temporary Rule 44A.

H. 865.

An act relating to promoting workforce housing.

To the Committee on Rules pursuant to Temporary Rule 44A.

Bill Passed in Concurrence with Proposal of Amendment

H. 530.

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

An act relating to categorization of State contracts for service.

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointment was confirmed by the Senate, without report given by the Committee to which it was referred and without debate:

Ozarowski, Peter of South Burlington - Member, Parole Board – March 1, 2016, to February 28, 2019.

Standing Committees Realigned

The President, on behalf of the Committee on Committees, and as a result of the resignation of Senator Diane B. Snelling and subsequent replacement by Senator Helen S. Riehle, reported realignments and new appointments for two of the standing committees, as follows:

Education

Senator Cummings, Chair
Doyle, Vice-Chair
Baruth
Zuckerman
Campion
[Degree, Clerk]
Riehle

Finance

Senator Ashe, Chair
MacDonald, Vice-Chair, Clerk
Lyons
Mullin
Ayer
[Westman]
Sirotkin
Degree

Appointment of Senate Replacement Member to Legislative Council

Pursuant to the provisions of 2 V.S.A. §402, the President announced the appointment by the President of the following Senator to serve on the Legislative Council for remainder of the biennium:

Senator Campbell, *ex officio*
Senator Sears
Senator Mazza
[Senator Snelling]
Senator Flory

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 Strong and others,

H.C.R. 316.

House concurrent resolution honoring Zachariah Fike and his Purple Hearts Reunited organization.

By Representative Grad,

H.C.R. 317.

House concurrent resolution honoring the Vermont Network Against Domestic and Sexual Violence on its 30th anniversary.

By Representative Russell and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 318.

House concurrent resolution congratulating the Vermont Agency of Transportation on receiving a $10 million federal Transportation Infrastructure Generating Economic Recovery grant to help complete the western rail corridor from Rutland to Burlington.

By Representative Terenzini and others,

By Senators Collamore, Degree, Flory, Mullin and Nitka,

H.C.R. 319.

House concurrent resolution congratulating the 2016 College of St. Joseph Lady Saints United States Collegiate Athletic Association Division II championship women's basketball team.

By All Members of the House,

H.C.R. 320.

House concurrent resolution designating April 5, 2016 as National Service Day in Vermont.

By Representative Quimby,

H.C.R. 321.

House concurrent resolution commemorating the bicentennial anniversary of the former Concord Corner Congregational Church building.

By Representative Devereux and others,

H.C.R. 322.

House concurrent resolution commemorating former President Calvin Coolidge's historic 1928 presidential trip to Cuba.

By Representative Klein and others,

By Senators Cummings, Doyle and Pollina,

H.C.R. 323.

House concurrent resolution congratulating the 2016 U-32 High School Raiders Division II championship boys' ice hockey team.

By Representative Parent and others,

By Senator Degree,

H.C.R. 324.

House concurrent resolution congratulating the 2016 Bellows Free Academy–St. Albans Bobwhites Division I championship boys' hockey team.

By Representative Turner and others,

H.C.R. 325.

House concurrent resolution recognizing all Vermont firefighters, police officers, and emergency medical service (EMS) personnel for the professional level of service they provide to their communities.

By Representative Potter and others,

H.C.R. 326.

House concurrent resolution congratulating the American Tree Farm System on its 75th anniversary.

By Representatives Russell and Tate,

H.C.R. 327.

House concurrent resolution honoring the entrepreneurship of Maple Sugar & Vermont Spice in Mendon.

By Representative Klein and others,

H.C.R. 328.

House concurrent resolution congratulating the 2016 U-32 High School Division II girls' championship Nordic ski team.

By Representative Buxton,

H.C.R. 329.

House concurrent resolution congratulating Vermont Law School on the inauguration of its solar energy project.

Adjournment

On motion of Senator Campbell, the Senate adjourned, to reconvene on Tuesday, April 12, 2016, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 50.

TUESDAY, APRIL 12, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Paul Habersang of Montpelier.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Committee Relieved of Further Consideration; Bill Committed

H. 560.

On motion of Senator Sears, the Committee on Judiciary was relieved of further consideration of House bill entitled:

An act relating to traffic safety,

and the bill was committed to the Committee on Transportation.

Committee Relieved of Further Consideration; Bill Committed

H. 610.

On motion of Senator Flory, the Committee on Institutions was relieved of further consideration of House bill entitled:

An act relating to clarifying the Clean Water State Revolving Fund and Water Pollution Control Grant Programs,

and the bill was committed to the Committee on Natural Resources and Energy.

Bill Referred to Committee on Appropriations

H. 529.

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 State aid for school construction repayment obligations.

Bill Referred

House bill of the following title:

H. 877. An act relating to transportation funding.

Was taken up and pursuant to Temporary Rule 44A was referred to the Committee on Finance.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 51.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senators Baruth and Benning,

J.R.S. 51. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 15, 2016, it be to meet again no later than Tuesday, April 19, 2016.

Rules Suspended; Bill Committed

H. 629.

House bill entitled:

An act relating to a study committee to examine laws related to the administration and issuance of vital records.

Was taken up.

Thereupon, pending the reading of the report of the Committee on Government Operations, Senator White moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Government Operations *intact*,

Which was agreed to.

Proposal of Amendment; Third Reading Ordered

H. 824.

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

An act relating to the adoption of occupational safety and health rules and standards.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 21 V.S.A. § 204, 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. § 204 is amended to read:

§ 204. RULES AND PROCEDURE

(a)(1)(A) Unless the Commissioner has adopted or elects to adopt a rule or standard that exceeds the corresponding federal rule or standard, whenever the federal Occupational Safety and Health Administration promulgates a rule or standard related to safety or health, the Commissioner shall adopt a substantially identical rule or standard to take effect 180 days after the corresponding federal rule or standard is promulgated.

(B) The Commissioner shall provide at least 90 days' advanced public notice of the adoption of rules and standards related to safety and health pursuant to this subdivision (1).

(C) The provisions of 3 V.S.A. chapter 25 shall not apply to rules and standards related to safety and health that are adopted pursuant to this subdivision (1).

(2) ~~Chapter 25 of Title 3~~ Except as otherwise provided in subdivision (1) of this subsection, 3 V.S.A. chapter 25, relating to administrative procedure, shall apply to this chapter and the VOSHA Code, including any rules and standards related to safety and health that are adopted by the Commissioner and exceed the corresponding rules or standards promulgated by the federal Occupational Safety and Health Administration.

* * *

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 pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, Senator Balint moved to amend the proposal of amendment of the Committee on Economic Development, Housing and General Affairs in Sec. 1, 21 V.S.A. § 204, by striking out subdivision (a)(1)(C) and inserting in lieu thereof a new subdivision (a)(1)(C) to read as follows:

(C) The provisions of 3 V.S.A. chapter 25 shall not apply to the adoption of rules and standards related to safety and health pursuant to this subdivision (1).

Which was agreed to.

Thereupon, the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs, as amended? was agreed to.

Thereupon, third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 640.

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

An act relating to expenses for the repair of town cemeteries.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 18 V.S.A. § 5362 by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) When lots or walks in a public burial ground become unsightly with weeds or by an unchecked growth of grass or from any other cause, or when headstones or monuments have become displaced or out of repair, the ~~selectmen~~ selectboard or board of cemetery commissioners shall cause such lots and walks to be cleared of weeds and grass, the headstones or monuments to be replaced or repaired, or other disfigurements removed, and may draw orders on the town treasurer for the expenses incurred. ~~The amount drawn from the treasury of a town for such purpose in any year shall not exceed $500.00.~~

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.

Message from the House No. 50

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 868. An act relating to miscellaneous economic development provisions.

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

The House has considered a bill originating in the Senate of the following title:

S. 171. An act relating to eligibility for pretrial risk assessment and needs screening.

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 adopted joint resolution of the following title:

J.R.H. 25. Joint resolution requesting the governors of the 19 states that have suspended state implementation planning to continue the compliance process under the Environmental Protection Agency's Carbon Pollution Emission Guidelines.

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

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

H. 531. An act relating to aboveground storage tanks.

And has severally concurred therein.

The Governor has informed the House that on April 8, 2016, he approved and signed bills originating in the House of the following titles:

H. 548. An act relating to extraordinary dividends for life insurers.

H. 575. An act relating to eliminating the role of town service officers in administering General Assistance benefits.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 13, 2016.

WEDNESDAY, APRIL 13, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Michael Caldwell of North Wolcott.

Bill Referred

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

H. 868.

An act relating to miscellaneous economic development provisions.

To the Committee on Rules pursuant to Temporary Rule 44A.

Bill Referred

House bill entitled:

H. 869. An act relating to judicial organization and operations.

Was taken up and pursuant to Temporary Rule 44A was referred to the Committee on Judiciary.

Senate Resolution Placed on Calendar

S.R. 12.

Senate resolution of the following title was offered, read the first time and is as follows:

By the Committee on Rules,

S.R. 12. Senate resolution amending the permanent rules of the Senate.

Resolved by the Senate:

That the permanent rules of the Senate are amended as follows:

First: Senate Rule 102 is added to read:

102. Ethics:

(a) The Committee on Committees shall, at the beginning of the biennium or as soon as possible thereafter, establish an Ethics Panel to receive and investigate allegations of ethical violations of senators, except for those complaints covered under Rule 101, and to recommend to the Senate any disciplinary action against a senator for an ethical violation, if the Panel deems it necessary.

(b) The Panel shall be comprised of five members of the Senate including at least one Senator from each major political party. The Panel shall elect a chair. All records and documents of the Ethics Panel shall be maintained in the Senate Secretary's Office.

(c) The Rules Committee shall develop and adopt a policy and procedure for receiving and reviewing allegations of ethical violations of Senators and procedures for when information and documents are confidential and public.

(d) At the end of each biennium, the Ethics Panel shall report to the Senate the number of complaints filed and the disposition of those complaints.

Second: Senate Rule 103 is added to read:

103. Disclosure:

On or before the 10th day of the beginning of the biennium, each senator shall submit to the Secretary a disclosure form prepared by the Secretary, which form may be updated as necessary. The form shall be signed by the senator and be publicly available. A senator shall update the senator's disclosure form as circumstances require.

Thereupon, under Rule 34, the resolution was placed on the Calendar for notice the next legislative day.

Joint Resolution Referred

J.R.H. 25.

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

Joint resolution requesting the governors of the 19 states that have suspended state implementation planning to continue the compliance process under the Environmental Protection Agency's Carbon Pollution Emission Guidelines.

Whereas, on October 23, 2015, the U.S. Environmental Protection Agency (EPA) issued a final rule entitled *Carbon Pollution Emission Guidelines for Existing Utility Generating Units*, 80 FR 64662-01 (Clean Power Plan), and

Whereas, the Clean Power Plan is intended to reduce carbon emissions from the nation's power plants to 32 percent below 2005 levels no later than 2032, and

Whereas, 27 states, including West Virginia and Texas (the parties), along with a number of companies and business groups, are seeking to overturn the final rule through a suit they filed in the U.S. Court of Appeals for the District of Columbia, and

Whereas, in a close 5–4 decision, issued on February 9, 2016, the U.S. Supreme Court, in *Chamber of Commerce v. EPA*, 2016 WL 502658, granted the parties' requested stay of enforcement, and

Whereas, Environment & Energy Publishing's recent analysis estimates that 19 states have suspended state implementation planning associated with the Clean Power Plan, and

Whereas, the Clean Power Plan is based on a strong legal and technical foundation since, in 2007, the U.S. Supreme Court ruled, in *Massachusetts v. Environmental Protection Agency,* 127 S.Ct. 1438, that the Environmental Protection Agency (EPA) is authorized to regulate greenhouse gas emissions if the agency believes they contribute to climate change, and

Whereas, according to 2014 NBC/Wall Street Journal and Bloomberg polls, a majority of Americans support efforts to reduce carbon pollution, and

Whereas, a 2014 Yale Climate Opinion Poll indicated that majorities in 17 of the 19 states that have suspended state implementation planning support setting strict carbon dioxide limits on coal-fired power plants, and

Whereas, according to a 2016 Utility Dive survey, 70 percent of utility executives thought the EPA should maintain the Clean Power Plan or make it more aggressive, and

Whereas, it is estimated that the Clean Power Plan will prevent up to 3,600 premature deaths and produce a maximum $54 billion in annual health and climate benefits by 2030, and

Whereas, from an environmental perspective, it is preferable for state environmental administrators to comply with the Clean Power Plan, notwithstanding the U.S. Supreme Court's enforcement stay, and

Whereas, there are no coal-fired plants located in Vermont, due in part to the choices our State has made to combat climate change through investing in energy efficiency and renewable energy and not developing coal- or oil-fired power plants, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges the governors of Alabama, Arkansas, Georgia, Indiana, Kansas, Kentucky, Michigan, Mississippi, Montana, Nebraska, New Jersey, North Carolina, North Dakota, Oklahoma, South Dakota, Texas, Utah, West Virginia, and Wisconsin to support the global fight against climate change by continuing the Clean Power Plan compliance process in order to keep their states from falling behind the nation and obstructing the growth of a strong clean energy economy after the current legal challenges to the Clean Power Plan have ended, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the governor of each state mentioned in this resolution.

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.

Proposal of Amendment; Third Reading Ordered

H. 74.

Senator Pollina, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to safety protocols for social and mental health workers.

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. chapter 82 is added to read:

CHAPTER 82. SAFETY PROVISIONS FOR WORKERS

§ 8201. SAFETY POLICIES FOR EMPLOYEES DELIVERING DIRECT SOCIAL SERVICES

(a)(1) The Secretary of Human Services, in consultation with each department of the Agency, shall establish and maintain a written workplace violence prevention and crisis response policy that meets or exceeds the requirements of this chapter in place for the benefit of employees delivering direct social services.

(2) The Secretary shall ensure that its contracts with providers whose employees deliver direct social services and that are administered or designated but not otherwise licensed by a department of the Agency include the requirement that providers establish and maintain a written workplace violence prevention and crisis response policy that meets or exceeds the requirements of this chapter in place for the benefit of employees delivering direct social services.

(b) A written workplace violence prevention and crisis response policy prepared with input from employees delivering direct social services shall minimally include the following:

(1) measures the program intends to take to respond to an incident of or credible threat of workplace violence against employees delivering direct social services;

(2) a system for centrally recording all incidents of or credible threats of workplace violence against employees delivering direct social services;

(3) a training program to educate employees delivering direct social services about workplace violence and ways to reduce the risks; and

(4) the development and maintenance of a violence prevention and response committee that includes employees delivering direct social services to monitor ongoing compliance with the violence prevention and crisis response policy and to assist employees delivering direct social services.

(c) In preparing the written violence prevention and crisis response policy required by this section, the Secretary and providers identified in subdivision (a)(2) of this section shall consult the U.S. Occupational Safety and Health Administration's Guidelines for Preventing Workplace Violence for Healthcare and Social Service Workers as amended.

(d) A written workplace violence prevention and crisis response policy shall be evaluated annually and updated as necessary by the violence and

prevention response committee and provided to employees delivering direct social services.

(e) The requirements of this section shall neither be construed as a waiver of sovereign immunity by the State, nor as creating any private right of action against the State for damages resulting from failure to comply with this section.

Sec. 2. 18 V.S.A. § 7114 is added to read:

§ 7114. SAFETY POLICIES FOR EMPLOYEES DELIVERING DIRECT SOCIAL SERVICES

(a) The Secretary of Human Services, in consultation with each department of the Agency, shall establish and maintain a workplace violence prevention and crisis response policy for the benefit of employees delivering direct social services pursuant to 33 V.S.A. § 8201.

(b) The Secretary shall ensure that its contracts with providers described in 33 V.S.A. § 8201(a)(2) require the providers to establish and maintain a written workplace violence prevention and crisis response policy for the benefit of employees delivering direct social services pursuant to 33 V.S.A. § 8201.

Sec. 3. EFFECTIVE DATE

This act shall take effect on January 1, 2017.

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

An act relating to safety policies for employees delivering direct social services.

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.

Bill Passed in Concurrence with Proposal of Amendment

H. 640.

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

An act relating to expenses for the repair of town cemeteries.

Bill Amended; Third Reading Ordered

S. 242.

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

An act relating to the service of civil process by a constable.

Reported recommending that the bill be amended as follows:

First: In Sec. 1, 32 V.S.A. § 1591 (sheriffs and other officers), by striking out subdivision (1)(D) in its entirety and inserting in lieu thereof the following:

(D)(i) All civil process to be served by a constable shall be directed to the legislative body of the town in which the constable serves. The legislative body shall assign civil process to the constable to ensure that process is completed in a timely and orderly manner. All payments for service of civil process shall be made to the town. A constable shall be entitled to fees paid for service of process, except as provided in subdivision (ii) of this subdivision (D). A constable shall not receive fees or payment in lieu of fees for civil process, except payment for actual and necessary expenses.

(ii) Quarterly, 15 percent of the gross civil process fees received by a town during that quarter shall be forwarded as follows:

(I) ten percent to the State Treasurer for deposit in the State's General Fund; and

(II) five percent to the town.

Second: By striking out in its entirety Sec. 2 (effective date) and inserting in lieu thereof the following:

Sec. 2. 24 V.S.A. § 1936a is amended to read:

§ 1936a. CONSTABLES; POWERS AND QUALIFICATIONS

(a) A town may vote at a special or annual town meeting to prohibit constables from exercising any law enforcement authority or from exercising the service of civil or criminal process.

(b) Notwithstanding the provisions of subsection (a) of this section, constables may perform the following duties:

(1) ~~the service of civil or criminal process, under 12 V.S.A. § 691;~~ [Repealed.]

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

And that when so amended the bill ought to pass.

Senator Sirotkin, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass when so amended.

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

Proposal of Amendment; Third Reading Ordered

H. 135.

Senator Ayer, for the Committee on Finance, to which was referred House bill entitled:

An act relating to authorizing the Vermont Department of Health to charge fees necessary to support Vermont's status as a Nuclear Regulatory Commission Agreement State.

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 32 is amended to read:

CHAPTER 32. IONIZING AND NONIONIZING RADIATION CONTROL

§ 1651. DEFINITIONS

In this chapter:

(1) ~~Ionizing radiation means gamma rays and x-rays, alpha and beta particles, high speed electrons, neutrons, protons, and other nuclear particles.~~

~~(2) Nonionizing radiation means radiations of any wavelength in the entire electromagnetic spectrum except those radiations defined above as ionizing. Nonionizing radiations include, but are not limited to: Ultraviolet, visible, infrared, microwave, radiowave, low frequency electromagnetic radiation; infrasonic, sonic and ultrasonic waves; electrostatic and magnetic fields.~~

~~(3) Radioactive material means any radioactive material, be it solid, liquid, or gas, which emits ionizing radiation spontaneously.~~

~~(4) Byproduct material~~ "Byproduct material" means each of the following:

(A) ~~any~~ Any radioactive material, ~~except~~ other than special nuclear material, that is yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(B) The tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, including discrete surface wastes resulting from uranium solution extraction processes. However, "byproduct material" does not include underground ore bodies depleted by these solution extraction operations.

(C) Any discrete source of radium–226 that is produced, extracted, or converted after extraction for use for a commercial, medical, or research activity.

(D) Any material that has been made radioactive by use of a particle accelerator and is produced, extracted, or converted after extraction for use for a commercial, medical, or research activity.

(E) Any discrete source of naturally occurring radioactive material, other than source material, that is extracted or converted after extraction for use in a commercial, medical, or research activity, if the Governor, after determination by the NRC, declares by order that the source would pose a threat similar to the threat posed by a discrete source of radium–226 to the public health and safety.

(2) "Commissioner" means the Commissioner of Health.

(3) "Department" means the Department of Health.

~~(5) General license~~ (4) "General license" means a license effective under regulations promulgated by the ~~state~~ State radiation control agency without the filing of an application to transfer, acquire, own, possess, or use quantities of, or devices or equipment utilizing byproduct, source, or special nuclear materials or other radioactive material occurring naturally or produced artificially.

(5) "Ionizing radiation" means gamma rays and x-rays, alpha and beta particles, high speed electrons, neutrons, protons, and other nuclear particles.

(6) "Nonionizing radiation" means radiations of any wavelength in the entire electromagnetic spectrum except those radiations defined in this section as ionizing. Nonionizing radiations include ultraviolet, visible, infrared, microwave, radiowave, low frequency electromagnetic radiation; infrasonic, sonic, and ultrasonic waves; electrostatic and magnetic fields.

(7) "NRC" means the U.S. Nuclear Regulatory Commission or any successor agency of the United States to the Commission.

(8) "Radioactive material" means any material, whether solid, liquid, or gas, that emits ionizing radiation spontaneously. The term includes material made radioactive by a particle accelerator, byproduct material, naturally occurring radioactive material, source material, and special nuclear material.

~~(6) Specific license~~ (9) "Specific license" means a license, issued to a named person after application to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of, or devices or equipment utilizing byproduct, source, or special nuclear materials or other radioactive material occurring naturally or produced artificially.

~~(7) The department of health is the state radiation control agency, called the agency herein.~~

~~(8) Source material~~ (10) "Source material" means each of the following:

(A) uranium, thorium, or any combination of those elements, in any physical or chemical form;

(B) any other material ~~which the governor~~ that the Governor declares by order to be source material after the ~~United States Nuclear Regulatory Commission, or any successor thereto,~~ NRC has determined the material to be ~~such~~ source material; or

~~(B)~~(C) ores ~~containing one or more of the foregoing materials,~~ that contain uranium, thorium, or any combination of those elements in a concentration by weight of 0.05 percent or more or in such lower concentration as the ~~governor~~ Governor declares by order to be source material after the ~~United States Nuclear Regulatory Commission, or any successor thereto,~~ NRC has determined the material in such concentration to be source material.

~~(9) Special nuclear material~~ (11) "Special nuclear material" means:

(A) plutonium, uranium ~~223~~ 233, uranium enriched in the isotope 233 or in the isotope 235, and any other material ~~which the governor~~ that the Governor declares by order to be special nuclear material after the ~~United States Nuclear Regulatory Commission, or any successor thereto,~~ NRC has determined the material to be such special nuclear material, but does not include source material; or

(B) any material artificially enriched by any ~~of the foregoing~~ elements, isotopes, or materials listed in subdivision (A) of this subdivision (11), but does not include source material.

§ 1652. STATE RADIATION CONTROL

(a) The Department is the radiation control agency for the State of Vermont. The Commissioner ~~of Health~~ may designate the Radiation Control Director ~~of Occupational Health~~ within the Department as the individual who shall perform the functions vested in the ~~agency~~ Department by this chapter.

(b) The ~~Agency~~ Department shall, for the protection of the occupational and public health and safety, develop programs for the control of ionizing and ~~non-ionizing~~ nonionizing radiation compatible with federal programs for regulation of byproduct, source, and special nuclear materials.

(c) The ~~Agency~~ Department may adopt, amend, and repeal rules under 3 V.S.A. chapter 25~~:~~

~~(1) which~~ that may provide for licensing and registration for the control of sources of ionizing radiation~~;~~

~~(2)~~ and that may provide for the control and regulation of sources of ~~non-ionizing~~ nonionizing radiation.

(d) The ~~Agency~~ Department shall advise, consult, and cooperate with other agencies of the State, the federal government, other states and interstate agencies, political subdivisions, industries, and with groups concerned with control of sources of ionizing and ~~non-ionizing~~ nonionizing radiation.

(e) Applicants for registration of X-ray equipment shall pay an annual registration fee of $85.00 per piece of equipment.

(f) Fees collected under this section shall be credited to a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Department to offset the costs of providing services relating to licensing and registration and controlling sources of ionizing radiation.

§ 1653. FEDERAL–STATE AGREEMENTS

(a) The ~~governor~~ Governor, on behalf of the ~~state~~ State of Vermont, may enter into agreements with the federal government providing for discontinuance of certain of the federal government's responsibilities with respect to byproduct, source, and special nuclear materials and the assumption ~~thereof~~ of these responsibilities by the ~~state~~ State of Vermont.

(b) In the event of such agreement:

(1) The ~~agency~~ Department shall provide by rule for general or specific licensing of ~~byproducts~~ byproduct, source, special nuclear materials, or devices or equipment utilizing such materials. The rule shall provide for amendment, suspension, or revocation of licenses. A rule adopted under this subsection

shall be consistent with regulations duly adopted by the NRC except as the Commissioner determines is necessary to protect public health.

(2) The ~~agency~~ Department shall ~~be authorized~~ have authority to:

(A) impose conditions that are individual to a license when necessary to protect public health and safety;

(B) reciprocate in the recognition of specific licenses issued by the NRC or another state that has reached agreement with the NRC pursuant to 42 U.S.C. § 2021(b) (agreement state);

(C) require that licensees and unlicensed individuals comply with the federal statutes and regulations relating to the authority assumed by the Department under this section and with the rules adopted by the Department under this section; and

(D) exempt certain byproduct, source, or special nuclear materials or kinds of uses or users from the licensing or registration requirements set forth in this section when the ~~agency~~ Department makes a finding that the exemption of such materials or kinds of uses or users will not constitute a significant risk to the health and safety of the public.

(3) The Department may collect a fee for licenses issued under this section. The fee schedule for these licenses shall be the schedule adopted by the U.S. Nuclear Regulatory Commission and published in 10 C.F.R. § 170.31 that is in effect as of the effective date of this section. Fees collected under this section shall be credited to the Nuclear Regulatory Fund established and managed under subdivision (4) of this subsection and shall be available to the Department to offset the costs of providing services under this section.

(4) There is established the Nuclear Regulatory Fund to consist of the fees collected under subdivision (3) of this subsection and any other monies that may be appropriated to or deposited into the Fund. Balances in the Nuclear Regulatory Fund shall be expended solely for the purposes set forth in this section and shall not be used for the general obligations of government. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund, and interest earned by the Fund shall be deposited in the Fund. The Nuclear Regulatory Fund is established in the State Treasury pursuant to 32 V.S.A. chapter 7, subchapter 5.

~~(3)~~(5) Any person having a license immediately before the effective date of an agreement under subsection (a) of this section from the federal government or agreement state relating to byproduct material, source material, or special nuclear material and which on the effective date of this agreement is subject to the control of this ~~state~~ State shall be considered to have a like license with the ~~state~~ State of Vermont until the expiration date specified in the

license from the federal government or agreement state or until the end of the ~~ninetieth~~ 90th day after the person receives notice from the ~~agency~~ Department that the license will be considered expired.

~~(4)~~(6) The ~~agency~~ Department shall require each person who possesses or uses byproduct, source, or special nuclear materials to maintain records relating to the receipt, storage, transfer, or disposal of such materials and such other records as the ~~agency~~ Department may require subject to such exemptions as may be provided by rule.

~~(5)~~(7) Violations:

(A) ~~It shall be unlawful for any person to~~ A person shall not use, manufacture, produce, transport, transfer, receive, acquire, own, or possess any byproduct, source, or special nuclear material unless licensed by or registered with the ~~agency~~ Department in accordance with the provisions of this chapter or rules adopted under this chapter.

(B) The ~~agency~~ Department shall have the authority in the event of an emergency to impound or order the impounding of byproduct, source, and special nuclear materials in the possession of any person who is not equipped to observe or fails to observe the provisions of this chapter or any rules ~~or regulations issued thereunder~~ adopted under this chapter.

~~(6)~~(8) The provisions of this section relating to the control of byproduct, source, and special nuclear materials shall become effective on the effective date of an agreement between the federal government and this ~~state~~ State as provided in ~~section 1656 of this title~~ subsection (a) of this section.

(c) This section does not confer authority to regulate materials or activities reserved to the NRC under 42 U.S.C. § 2021(c) and 10 C.F.R. Part 150.

§ 1654. INSPECTION

The ~~agency~~ Department or its duly authorized representatives may enter at all reasonable times upon any private or public property for the purpose of determining whether or not there is compliance with or violation of this chapter and rules and regulations issued thereunder, except that entry into areas under the jurisdiction of the federal government shall be made only with the concurrence of the federal government or its duly designated representative.

§ 1655. HEARINGS AND JUDICIAL REVIEW

(a) In any proceeding under this chapter for the issuance or modification of rules relating to control of byproducts, source, and special nuclear materials; or for granting, suspending, revoking, or amending any license; or for determining compliance with or granting exemptions from rules and regulations of the ~~agency~~ Department, the ~~agency~~ Department shall hold a

public hearing upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to the proceeding, subject to the emergency provisions in subsection (b) of this section.

(b) Whenever the ~~agency~~ Department finds that an emergency exists requiring immediate action to protect the public health and safety, the ~~agency~~ Department may, without notice or hearing, issue ~~a regulation or~~ an order reciting the existence of the emergency and requiring that such action be taken as is necessary to meet it. Notwithstanding any ~~provisions~~ contrary provision of this chapter, the ~~regulation or~~ order shall be effective immediately. Any person to whom the ~~regulation or~~ order is directed shall comply ~~therewith~~ with the order immediately, but on application to the ~~agency~~ Department shall be afforded a hearing within ten days. On the basis of the hearing, the emergency ~~regulation or~~ order shall be continued, modified, or revoked within ten days after the hearing.

(c) Any final order entered in any proceeding under subsections (a) and (b) ~~above~~ of this section shall be subject to judicial review in the ~~superior court~~ Civil Division of the Superior Court.

§ 1656. INJUNCTION PROCEEDINGS

Whenever, in the judgment of the ~~agency~~ Department, any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this chapter, or any rule issued thereunder, the ~~attorney general~~ Attorney General shall make application to the appropriate court for an order enjoining such acts or practices, or for an order directing compliance, and upon a showing by the ~~agency~~ Department that such person has engaged or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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

An act relating to enabling the Vermont Department of Health to reach an agreement with the Nuclear Regulatory Commission regarding authority over regulation and licensing of radioactive materials.

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. 539.

Senator Sirotkin, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to establishment of a Pollinator Protection Committee.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1 (Pollinator Protection Committee; report), in subsection (f), after the following: "On or before" and before the following: ", the Pollinator Protection Committee shall submit" by striking out the following: "January 15, 2017" and inserting in lieu thereof the following: December 15, 2016

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.

Proposals of Amendment; Third Reading Ordered

H. 674.

Senator Campion, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to public notice of wastewater discharges.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, in 10 V.S.A. § 1295, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Public alert. An operator of a wastewater treatment facility or the operator's delegate shall as soon as possible, but no longer than one hour from discovery of an untreated discharge from the wastewater treatment facility, post on a publicly accessible electronic network, mobile application, or other electronic media designated by the Secretary an alert informing the public of the untreated discharge and its location, except that if the operator or his or her delegate does not have telephone or Internet service at the location where he or she is working to control or stop the untreated discharge, the operator or his or her delegate may delay posting the alert until the time that the untreated

discharge is controlled or stopped, provided that the alert shall be posted no later than four hours from discovery of the untreated discharge.

Second: In Sec. 3, 18 V.S.A. § 1222, in subdivision (a)(1), by striking out the following: "microcystin, anatoxin, and cylindrospermopsin" and inserting in lieu thereof the following: microcystis, anabaena, and aphanizomenon

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, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Proposals of Amendment; Third Reading Ordered

H. 765.

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

An act relating to technical corrections.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: After Sec. 46, 17 V.S.A. § 2680, by inserting a new section to be numbered Sec. 46a to read as follows:

Sec. 46a. 18 V.S.A. § 906 is amended to read:

§ 906. EMERGENCY MEDICAL SERVICES DIVISION; RESPONSIBILITIES

To implement the policy of section 901 of this title, the ~~department of health~~ Department of Health shall be responsible for:

* * *

(3) Developing a statewide system of emergency medical services, including ~~but not limited to~~ planning, organizing, coordinating, improving, expanding, monitoring, and evaluating emergency medical services.

* * *

Second: After Sec. 50, 18 V.S.A. § 4243, by inserting a new section to be numbered Sec. 50a to read as follows:

Sec. 50a. 18 V.S.A. § 4631a is amended to read:

§ 4631a. EXPENDITURES BY MANUFACTURERS OF PRESCRIBED PRODUCTS

(a) As used in this section:

* * *

(5) "Gift" means:

(A) anything of value provided for free to a health care provider or to a member of the Green Mountain Care Board established in chapter 220 of this title; or

(B) except as otherwise provided in ~~subdivision~~ subdivisions (a)(1)(A)(ii) and (a)(1)(H)(ii) of this section, any payment, food, entertainment, travel, subscription, advance, service, or anything else of value provided to a health care provider or to a member of the Green Mountain Care Board established in chapter 220 of this title, unless:

* * *

Third: After Sec. 51, 18 V.S.A. § 8839(2), by inserting a new section to be numbered Sec. 51a to read as follows:

Sec. 51a. 18 V.S.A. § 9454 is amended to read:

§ 9454. HOSPITALS; DUTIES

(a) Hospitals shall file the following information at the time and place and in the manner established by the board:

(1) a budget for the forthcoming fiscal year;

(2) financial information, including ~~but not limited to~~ costs of operation, revenues, assets, liabilities, fund balances, other income, rates, charges, units of services, and wage and salary data;

(3) scope-of-service and volume-of-service information, including ~~but not limited to~~ inpatient services, outpatient services, and ancillary services by type of service provided;

* * *

Fourth: After Sec. 61, 26 V.S.A. § 3001(1), by inserting a new section to be numbered Sec. 61a to read as follows:

Sec. 61a. 26 V.S.A. § 3178a is amended to read:

§ 3178a. FEES

(a) Applicants and persons regulated under this chapter shall pay the following fees:

(1) Application for agency license:	
(A) Investigative agency	$340.00
(B) Security agency	$340.00
(C) Investigative/security agency	$400.00
(D) Sole proprietor	$250.00
(2) Application for individual license:	
(A) Unarmed licensee	$150.00
(B) Armed licensee	$200.00
(3) Application for employee registration:	
(A) Unarmed registrants	$60.00
(B) Armed registrants	$120.00
(C) Transitory permits	60.00
(4) Biennial renewal:	
(A) Investigative agency	$300.00
(B) Security agency	$300.00
(C) Investigative/security agency	$300.00
(D) Unarmed licensee	$120.00
(E) Armed licensee	$180.00
(F) Unarmed registrants (agency employees)	$80.00
(G) Armed registrants (agency employees)	$130.00
(H) Sole proprietor	$250.00
(5) Instructor licensure:	
(A) Application for licensure	$120.00
(B) Biennial renewal	$180.00

~~(6)~~(b) A sole proprietor of an investigative agency or security agency shall only pay the sole proprietor fees pursuant to this section, provided the agency has no other registered investigative or security employees.

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, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 778.

Senator Zuckerman, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to State enforcement of the federal Food Safety Modernization Act.

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. 6 V.S.A. chapter 66 is added to read:

CHAPTER 66. PRODUCE INSPECTION

§ 851. DEFINITIONS

As used in this chapter:

(1) "Agency" means the Agency of Agriculture, Food and Markets.

(2) "Farm" means lands that are owned or leased by a person engaged in any of the activities stated in 10 V.S.A. § 6001(22).

(3) "Produce" shall have the same meaning as used in 21 C.F.R. § 112.3.

(4) "Produce farm" means any farm engaged in the growing, harvesting, packing, or holding of produce.

(5) "Secretary" means the Secretary of Agriculture, Food and Markets.

§ 852. AUTHORITY; ENFORCEMENT

(a) The Secretary may enforce in the State the requirements of the rules adopted under the federal Food Safety Modernization Act, Public Law No. 111-353, for standards for growing, harvesting, packing, and holding of produce for human consumption, 21 C.F.R. part 112.

(b) The Agency may collaborate with the Vermont Department of Health regarding application of the federal Food Safety Modernization Act and the rules adopted thereunder.

(c) The Secretary shall carry out the provisions of this chapter using:

(1) monies appropriated to the Agency by the federal government for the purpose of administering the federal Food Safety Modernization Act and the rules adopted thereunder;

(2) monies appropriated to the Agency by the State for the purpose of administering this chapter; and

(3) other gifts, bequests, and donations by private entities for the purposes of administering this chapter.

§ 853. FARM INSPECTIONS

(a)(1) The Secretary may inspect a produce farm during reasonable hours for the purposes of ensuring compliance with:

(A) the federal standards for growing, harvesting, packing, and holding of produce for human consumption, as adopted under 21 C.F.R. part 112; or

(B) the rules adopted under this chapter.

(2) Unless the circumstances warrant otherwise, the Secretary shall provide reasonable notice prior to inspection.

(3) This section shall not limit the Secretary's authority to respond to an emergency in order to prevent a public health hazard under section 21 of this title.

(b) After inspection, the Secretary may issue an inspection certificate that shall include the date and place of inspection along with any other pertinent facts that the Secretary may require.

(c) The Secretary may coordinate with other State agencies and organizations to carry out inspections at or near the same time on a given produce farm.

§ 854. RECORDS

The owner or operator of a produce farm shall maintain records required by the federal Food Safety Modernization Act, rules adopted thereunder, and rules adopted under this chapter and shall make those records available to the Agency upon request.

§ 855. RULES

The Secretary may adopt rules pursuant to 3 V.S.A. chapter 25 as may be necessary to implement this chapter.

Sec. 2. 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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, April 14, 2016.

THURSDAY, APRIL 14, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Ken White of Burlington.

Bills Referred to Committee on Appropriations

House bills of the following titles, appearing on the Calendar for notice, and carrying appropriations or requiring the expenditure of funds, under the rule, were severally referred to the Committee on Appropriations:

H. 434. An act relating to law enforcement and fire service training safety.

H. 610. An act relating to clarifying the Clean Water State Revolving Fund and Water Pollution Control Grant Programs.

Bill Referred to Committee on Finance

H. 519.

House bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to approval of the adoption and codification of the charter of the Town of Brandon.

Senate Resolution Referred

S.R. 13.

Senate resolution of the following title was offered, read the first time and is as follows:

By Senators Balint, Campion, Rodgers, Sears, and White,

S.R. 13. Senate resolution relating to the federal Rural Utilities Service and the Vermont Telephone Company.

Whereas, in 2009, Congress enacted the American Recovery and Reinvestment Act, Pub.L. 111-5, to stimulate the nation's economy following the 2008 financial crisis, and stimulus dollars included financial support for telecommunications projects, and

Whereas, federal stimulus dollars, allocated through the National Telecommunications and Information Administration in partnership with the Vermont Telecommunications Authority, supported a $33 million grant for Sovernet Communications' FiberConnect project, which was successfully completed in 2014 and which brought fiber to many unserved and underserved towns in northeastern, central, and southern Vermont, including 115 governmental locations, 108 schools, 42 health-care facilities, 40 libraries, and 32 colleges, and

Whereas, in July 2010, the federal Rural Utilities Service (RUS) awarded an $81 million broadband stimulus grant and a $35 million government-backed loan to Vermont Telephone Company (VTel) to build a one gigabit fiber network for VTel's existing customers, which has been completed, and to construct a wireless Internet system to serve nearly all of Vermont's 33,000 unserved households plus additional businesses and anchor institutions, and

Whereas, despite the obligations VTel agreed to in accepting the RUS funding, it is apparent that the wireless project has failed to meet the stated objectives of the grant to the detriment of many expectant Vermont communities, and

Whereas, VTel's wireless coverage seems neither as expansive nor as robust as anticipated, and there is doubt that many of the 33,000 unserved households are now in range to receive a reliable signal, and

Whereas, it also appears that VTel may have placed unwarranted focus on competing with the highest possible speeds in its previously existing service area rather than building out a new wireless system as evidenced, in part, by the failure to build three telecommunications towers that should have been completed by the September 2015 construction deadline set in the RUS stimulus award, and

Whereas, separately, VTel is in default on a $2 million Federal Communications Commission grant to provide voice and data access along Vermont's roadways through its new wireless system, *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont strongly urges the Rural Utilities Service to: (1) conduct a comprehensive financial and performance audit of the grant and loan that it awarded to the Vermont Telephone Company, including a finding related to the number of the 33,000 unserved households that remain unserved; and (2) require the Vermont Telephone Company to construct the three unbuilt towers or provide equivalent service to those areas that the towers would have served, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to the Administrator of the Rural Utilities Service, the U.S. Secretary of Agriculture, the Commissioner of Public Service, the Vermont Congressional Delegation, and the Vermont Telephone Company.

Thereupon, the President, in his discretion, treated the joint resolution as a bill and referred it to the Committee on Finance.

House Proposal of Amendment to Senate Proposal of Amendment Concurred In with Further Proposal of Amendment

H. 84.

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to Internet dating services.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Consumer Litigation Funding * * *

Sec. A.1. 8 V.S.A. chapter 74 is added to read:

CHAPTER 74. CONSUMER LITIGATION FUNDING COMPANIES

§ 2251. DEFINITIONS

As used in this chapter:

(1) "Charges" means the amount a consumer owes to a company in addition to the funded amount and includes an administrative fee, origination fee, underwriting fee, processing fee, and any other fee regardless of how the fee is denominated, including amounts denominated as interest or rate.

(2) "Commissioner" means the Commissioner of Financial Regulation.

(3) "Consumer" means a natural person who is seeking or has obtained consumer litigation funding for a pending legal claim, provided:

(A) the claim is in Vermont; or

(B) the person resides or is domiciled in Vermont, or both.

(4) "Consumer litigation funding" or "funding" means a nonrecourse transaction in which a company purchases and a consumer assigns to the company a contingent right to receive an amount of the potential net proceeds of a settlement or judgment obtained from the consumer's legal claim. If no proceeds or net proceeds are obtained, the consumer is not required to repay the company the funded amount or charges.

(5) "Consumer litigation funding company," "litigation funding company," or "company" means a person that provides consumer litigation funding to a consumer. The term does not include an immediate family member of the consumer, as defined in subdivision 2200(10) of this title.

(6) "Funded amount" means the amount of monies provided to, or on behalf of, the consumer pursuant to a litigation funding contract. The term excludes charges.

(7) "Health care facility" has the same meaning as in 18 V.S.A. § 9402(6).

(8) "Health care provider" has the same meaning as in 18 V.S.A. § 9402(7).

(9) "Litigation funding contract" or "contract" means a contract between a company and a consumer for the provision of consumer litigation funding.

(10)(A) "Net proceeds" means the amount recovered by a consumer as a result of a legal claim less costs associated with the legal claim or the underlying events giving rise to the legal claim, including:

(i) attorney's fees, attorney liens, litigation costs;

(ii) claims or liens for related medical services owned and asserted by the provider of such services;

(iii) claims or liens for reimbursement arising from third parties who have paid related medical expenses, including claims from insurers,

employers with self-funded health care plans, and publicly financed health care plans; and

(iv) liens for workers' compensation benefits paid to the consumer.

(B) This definition of "net proceeds" shall in no way affect the priority of claims or liens other than those for payments to the consumer litigation funding company under a consumer litigation funding contract subject to this chapter.

§ 2252. REGISTRATION; FEE; FINANCIAL STABILITY

(a) A company shall not engage in the business of consumer litigation funding without first filing a registration with the Commissioner on a form prescribed by the Commissioner and submitting a registration fee and proof of financial stability, as required by this section.

(b) A company shall submit a $600.00 fee at the time of registration and at the time of each renewal. Registrations shall be renewed every three years.

(c) A company shall file with the Commissioner evidence of its financial stability which shall include proof of a surety bond or irrevocable letter of credit issued and confirmed by a financial institution authorized by law to transact business in Vermont that is equal to double the amount of the company's largest funded amount in Vermont in the prior three calendar years or $50,000.00, whichever is greater.

§ 2253. CONTRACTS; DISCLOSURES AND REQUIREMENTS

(a) A contract shall be written in a clear and coherent manner using words with common, everyday meanings to enable the average consumer who makes a reasonable effort under ordinary circumstances to read and understand the terms of the contract without having to obtain the assistance of a professional.

(b) Each contract shall include consumer disclosures on the front page. The consumer disclosures shall be in a form prescribed by the Commissioner and shall include:

(1) a description of possible alternatives to a litigation funding contract, including secured or unsecured personal loans, and life insurance policies;

(2) notification that some or all of the funded amount may be taxable;

(3) a description of the consumer's right of rescission;

(4) the total funded amount provided to the consumer under the contract;

(5) an itemization of charges;

(6) the annual percentage rate of return;

(7) the total amount due from the consumer, including charges, if repayment is made any time after the funding contract is executed;

(8) a statement that there are no fees or charges to be paid by the consumer other than what is disclosed on the disclosure form;

(9) in the event the consumer seeks more than one litigation funding contract, a disclosure providing the cumulative amount due from the consumer for all transactions, including charges under all contracts, if repayment is made any time after the contracts are executed;

(10) a statement that the company has no right to make any decisions regarding the conduct of the legal claim or any settlement or resolution thereof and that the right to make such decisions remains solely with the consumer and his or her attorney;

(11) a statement that, if there is no recovery of any money from the consumer's legal claim, the consumer shall owe nothing to the company and that, if the net proceeds of the claim are insufficient to repay the consumer's indebtedness to the company, then the consumer shall owe the company no money in excess of the net proceeds; and

(12) any other statements or disclosures deemed necessary or appropriate by the Commissioner.

(c) Each contract shall include the following provisions:

(1) Definitions of the terms "consumer," "consumer litigation funding," and "consumer litigation funding company."

(2) A right of rescission, allowing the consumer to cancel the contract without penalty or further obligation if, within five business days following the execution of the contract or the consumer's receipt of any portion of the funded amount, the consumer gives notice of the rescission to the company and returns any funds provided to the consumer by the company.

(3) A provision specifying that, in the event of litigation involving the contract and at the election of the consumer, venue shall lie in the Vermont Superior Court for the county where the consumer resides.

(4) An acknowledgment that the consumer is represented by an attorney in the legal claim and has had an opportunity to discuss the contract with his or her attorney.

§ 2254. PROHIBITED ACTS

(a) A consumer litigation funding company shall not engage in any of the following conduct or practices:

(1) Pay or offer to pay commissions, referral fees, or any other form of consideration to any attorney, law firm, health care provider, health care facility, or an employee of a law firm, health care provider, or health care facility for referring a consumer to the company.

(2) Accept any commissions, referral fees, or any other form of consideration from any attorney, law firm, health care provider, health care facility, or an employee of a law firm, health care provider, or health care facility.

(3) Advertise false or misleading information regarding its products or services.

(4) Receive any right to nor make any decisions with respect to the conduct of the consumer's legal claim or any settlement or resolution. The right to make such decisions shall remain solely with the consumer and his or her attorney.

(5) Knowingly pay or offer to pay for court costs, filing fees, or attorney's fees either during or after the resolution of the legal claim.

(6) Refer a consumer to a specific attorney, law firm, health care provider, or health care facility.

(7) Fail to provide promptly copies of contract documents to the consumer or to the consumer's attorney.

(8) Obtain a waiver of any remedy the consumer might otherwise have against the company.

(9) Provide legal advice to the consumer regarding the funding or the underlying legal claim.

(10) Assign a contract in whole or in part to a third party. Provided, however, if the company retains responsibility for collecting payment, administering, and otherwise enforcing the consumer litigation funding contract, the prohibition in this subdivision (10) shall not apply to an assignment:

(A) to a wholly-owned subsidiary of the company;

(B) to an affiliate of the company that is under common control with the company; or

(C) granting a security interest under Article 9 of the Uniform Commercial Code or as otherwise permitted by law.

(11) Report a consumer to a credit reporting agency if insufficient funds remain from the net proceeds to repay the company.

(12) Require binding arbitration in the event of a dispute between the consumer and the company. A consumer has the right to a trial in the event of a contractual dispute.

(b) An attorney or law firm retained by a consumer shall not have a financial interest in a company offering litigation funding to the consumer and shall not receive a referral fee or other consideration from such company, its employees, or its affiliates.

§ 2255. EFFECT OF COMMUNICATION ON PRIVILEGES

A communication between a consumer's attorney and the company shall not be discoverable or limit, waive, or abrogate the scope or nature of any statutory or common-law privilege, including the work-product doctrine and the attorney-client privilege.

§ 2256. EXAMINATIONS; CHARGES

For the purpose of protecting consumer interests and determining a company's financial stability and compliance with the requirements of this chapter, the Commissioner may conduct an examination of a company engaged in the business of consumer litigation funding. The company shall reimburse the Department of Financial Regulation all reasonable costs and expenses of such examination. In unusual circumstances and in the interests of justice, the Commissioner may waive reimbursement for the costs and expenses of an examination under this section.

§ 2257. NATIONWIDE LICENSING SYSTEM; INFORMATION SHARING; CONFIDENTIALITY

(a) In furtherance of the Commissioner's duties under this chapter, the Commissioner may participate in the Nationwide Mortgage Licensing System and Registry and may take such action regarding participation in the Registry as the Commissioner deems necessary to carry out the purposes of this section, including:

(1) issue rules or orders, or establish procedures, to further participation in the Registry;

(2) facilitate and participate in the establishment and implementation of the Registry;

(3) establish relationships or contracts with the Registry or other entities designated by the Registry;

(4) authorize the Registry to collect and maintain records and to collect and process any fees associated with licensure or registration on behalf of the Commissioner;

(5) require persons engaged in activities that require registration under this chapter to use the Registry for applications, renewals, amendments, surrenders, and such other activities as the Commissioner may require and to pay through the Registry all fees provided for under this chapter;

(6) authorize the Registry to collect fingerprints on behalf of the Commissioner in order to receive or conduct criminal history background checks, and, in order to reduce the points of contact which the Federal Bureau of Investigation may have to maintain for purposes of this subsection, the Commissioner may use the Registry as a channeling agent for requesting information from and distributing information to the Department of Justice or any other governmental agency; and

(7) in order to reduce the points of contact which the Commissioner may have to maintain for purposes of this chapter, use the Registry as a channeling agent for requesting and distributing information to and from any source so directed by the Commissioner.

(b) The Commissioner may require persons engaged in activities that require registration under this chapter to submit fingerprints, and the Commissioner may use the services of the Registry to process the fingerprints and to submit the fingerprints to the Federal Bureau of Investigation, the Vermont State Police, or any equivalent state or federal law enforcement agency for the purpose of conducting a criminal history background check. The company shall pay the cost of such criminal history background check, including any charges imposed by the Registry.

(c) Persons engaged in activities that require registration pursuant to this chapter shall pay all applicable charges to use the Registry, including such processing charges as the administrator of the Registry shall establish, in addition to the fees required under this chapter.

(d) The Registry is not intended to and does not replace or affect the Commissioner's authority to grant, deny, suspend, revoke, or refuse to renew registrations.

(e) In order to promote more effective regulation and reduce regulatory burden through supervisory information sharing:

(1) The privacy or confidentiality of any information or material provided to the Registry and any privilege arising under federal or state law (including the rules of any federal or state court) with respect to such information or material shall continue to apply to such information or material after the information or material has been disclosed to the Registry. Such information and material may be shared with all state and federal regulatory officials with oversight authority without the loss of privilege or the loss of confidentiality protections provided by federal law or state law.

(2) To carry out the purpose of this section, the Commissioner is authorized to enter agreements or sharing arrangements with other governmental agencies, the Conference of State Bank Supervisors, the American Association of Residential Mortgage Regulators, or other associations representing governmental agencies.

(3) Information or material that is subject to privilege or confidentiality under subdivision (1) of this subsection shall not be subject to:

(A) disclosure under any federal or state law governing the disclosure to the public of information held by an officer or an agency of the federal government or the respective state; or

(B) subpoena or discovery or admission into evidence in any private civil action or administrative process unless with respect to any privilege held by the Registry with respect to such information or material the person to whom such information or material pertains waives, in whole or in part, in the discretion of the person, that privilege.

(4) This subsection shall not apply with respect to information or material relating to employment history and publicly adjudicated disciplinary and enforcement actions that are included in the Registry for access by the public.

(f) In this section, "Nationwide Mortgage Licensing System and Registry" or "the Registry" means a licensing system developed and maintained by the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators as defined in 12 U.S.C. § 5102(6), or its successor in interest, or any alternative or replacement licensing system and registry designated by the Commissioner.

§ 2258. RULES

The Commissioner may adopt rules he or she deems necessary for the proper conduct of business and enforcement of this chapter.

§ 2259. PENALTIES; ENFORCEMENT

(a) After notice and opportunity for hearing in accordance with the Administrative Procedures Act, 3 V.S.A. chapter 25, the Commissioner may take action to enforce the provisions of this chapter and may:

(1) revoke or suspend a company's registration;

(2) order a company to cease and desist from further consumer litigation funding;

(3) impose a penalty of not more than $1,000.00 for each violation or $10,000.00 for each violation the Commissioner finds to be willful; and

(4) order the company to make restitution to consumers.

(b) The powers vested in the Commissioner by this chapter shall be in addition to any other powers of the Commissioner to enforce any penalties, fines, or forfeitures authorized by law.

(c) A company's failure to comply with the requirements of this chapter shall constitute an unfair or deceptive act in commerce enforceable under 9 V.S.A. chapter 63, the Consumer Protection Act.

(d) The powers vested in the Commissioner by this chapter shall be in addition to any other powers or rights of consumers or the Attorney General or others under any other applicable law or rule, including the Vermont Consumer Protection Act and any applicable rules adopted thereunder, provided the Commissioner's determinations concerning the interpretation and administration of the provisions of this chapter and rules adopted thereunder shall carry a presumption of validity.

§ 2260. ANNUAL REPORTS

(a) Annually, on or before April 1, each company registered under this chapter shall file a report with the Commissioner under oath and in the form and manner prescribed by the Commissioner. The report shall include any information the Commissioner requires concerning the company's business and operations during the preceding calendar year within Vermont and, in addition, shall include:

(1) the number of contracts entered into;

(2) the dollar value of funded amounts to consumers;

(3) the dollar value of charges under each contract, itemized and including the annual rate of return;

(4) the dollar amount and number of litigation funding transactions in which the realization to the company was as contracted; and

(5) the dollar amount and number of litigation funding transactions in which the realization to the company was less than contracted.

(b) To assist the general public with more fully understanding the nature of consumer litigation funding in Vermont, the Commissioner shall summarize and analyze relevant data submitted under this section and publish the summary and analysis on a web page maintained by the Department of Financial Regulation, as well as on a web page maintained by the Office of the Attorney General.

(c) Annually, beginning on or before October 1, 2017, the Commissioner and Attorney General shall report jointly to the General Assembly on the status

of consumer litigation funding in Vermont and make any recommendations they deem necessary to improve the regulatory framework of consumer litigation funding, including a recommendation on whether Vermont should limit charges imposed under a consumer litigation funding contract.

* * * Structured Settlement Agreements * * *

Sec. B.1. 9 V.S.A. § 2480ff(b) is amended to read:

(b) Not less than 20 days prior to the scheduled hearing on any application for approval of a transfer of structured settlement payment rights under section 2480dd of this title, the transferee shall file with the Court and serve on all interested parties a notice of the proposed transfer and the application for its authorization, including with such notice:

* * *

(7) a statement setting forth whether, to the best of the transferee's knowledge after making a reasonable inquiry to the payee, the structured settlement obligor, and the annuity issuer, there have been any previous transfers or applications for transfer of any structured settlement payment rights of the payee and giving details of all such transfers or applications for transfer;

(8) to the best of the transferee's knowledge after making reasonable inquiry to the payee, the structured settlement obligor, and the annuity issuer, a description of the remaining payments owed to the payee under the structured settlement if the court approves the proposed transfer, including the amount and dates or date ranges of the payments owed, provided that:

(A) the description may be filed under seal; and

(B) if the transferee's knowledge concerning the remaining payments changes after the transferee submits a notice of the proposed transfer, the transferee may provide updated information to the court at the hearing;

~~(8)~~(9) if available to the transferee after making a good faith request of the payee, the structured settlement obligor and the annuity issuer, the following documents, which shall be filed under seal:

(A) a copy of the annuity contract;

(B) a copy of any qualified assignment agreement; and

(C) a copy of the underlying structured settlement agreement;

~~(9)~~(10) either a certification from an independent professional advisor establishing that the advisor has given advice to the payee on the financial advisability of the transfer and the other financial options available to the payee or a written request that the Court determine that such advice is unnecessary pursuant to subdivision 2480dd(a)(2) of this title; and

~~(10)~~(11) notification of the time and place of the hearing and notification of the manner in which and the time by which written responses to the application must be filed, which shall be not less than 15 days after service of the transferee's notice, in order to be considered by the court.

* * * Business Registration; Enforcement * * *

Sec. C.1. PURPOSE

(a) The purpose of 11 V.S.A. § 1637, as added in Sec. C. 2 of this act, is to protect consumers by ensuring that they have adequate public notice in the records of the Secretary of State when a person is no longer allowed to conduct business in this State.

(b) The purpose of Secs. C.3–C.14 is to standardize among the statutes governing business organizations authorized to conduct business in this State:

(1) the duty of a person to register with the Secretary of State; and

(2) the enforcement and penalties for failure register.

Sec. C.2. 11 V.S.A. § 1637 is added to read:

§ 1637. AUTHORITY TO TERMINATE AND AMEND REGISTRATION

(a) The Secretary of State shall have the authority to:

(1) terminate the registration of a person who, pursuant to a final court order or an assurance of discontinuance, is not authorized to conduct business in this State; and

(2) amend his or her records to reflect the termination of a registration pursuant to subdivision (1) of this section.

(b)(1) If the Secretary of State terminates the registration of a person pursuant to this section, the person appoints the Secretary as his or her agent for service of process in any proceeding based on a cause of action that arose during the time the person was authorized to transact, or was transacting without authorization, business in this State.

(2) Upon receipt of process, the Secretary of State shall deliver by registered mail a copy of the process to the secretary of the terminated person at its principal office shown in its most recent annual report or in any subsequent communication received from the person stating the current mailing address of its principal office, or, if none is on file, in its application for registration.

(c)(1) If a court or other person with sufficient legal authority reinstates the ability of a terminated person to conduct business in this State, the terminated person may file with the Secretary of State evidence of the reinstated authority and pay to the Secretary a fee of $25.00 for each year the person is delinquent.

(2) Upon receipt of a filing and payment pursuant to subdivision (1) of this subsection, the Secretary shall cancel the termination and prepare a certificate of reinstatement, file the original of the certificate, and serve a copy on the person.

Sec. C.3. 11 V.S.A. § 1626 is amended to read:

§ 1626. FAILURE TO REGISTER; ENFORCING COMPLIANCE

~~Upon the complaint of the secretary of state, a person, copartnership, association, limited liability company or corporation carrying on business in this state contrary to this chapter may be enjoined therefrom by a superior court and fined not more than $100.00.~~

(a) A person who is not registered with the Secretary of State as required under this chapter and any successor to the person or assignee of a cause of action arising out of the business of the person may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State until the person, successor, or assignee registers with the Secretary.

(b) The failure of a person to register as required under this chapter does not impair the validity of a contract or act of the person or preclude it from defending an action or proceeding in this State.

(c) An individual does not waive a limitation on his or her personal liability afforded by other law solely by transacting business in this State without registering with the Secretary of State as required under this chapter.

(d) If a person transacts business in this State without registering with the Secretary of State as required under this chapter, the Secretary is its agent for service of process with respect to a right of action arising out of the transaction of business in this State.

(e) A person that transacts business in this State without registering with the Secretary of State as required under this chapter shall be liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a registration;

(2) an amount equal to the fees due under this chapter during the period it transacted business in this State without a registration; and

(3) other penalties imposed by law.

(f) The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in subsection (e) of this section and to restrain a person from transacting business in this State in violation of this chapter.

Sec. C.4. 11 V.S.A. § 3303 is amended to read:

§ 3303. EFFECT OF FAILURE TO QUALIFY

(a)(1) A foreign limited liability partnership transacting business in this ~~state~~ State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this ~~state~~ State unless it has in effect a statement of foreign qualification.

(2) The successor to a foreign limited liability partnership that transacted business in this State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited liability partnership or its successor or assignee obtains a certificate of authority.

(b) The failure of a foreign limited liability partnership to have in effect a statement of foreign qualification does not impair the validity of a contract or act of the foreign limited liability partnership or preclude it from defending an action or proceeding in this ~~state~~ State.

(c) A limitation on personal liability of a partner is not waived solely by transacting business in this ~~state~~ State without a statement of foreign qualification.

(d) If a foreign limited liability partnership transacts business in this ~~state~~ State without a statement of foreign qualification, the ~~secretary of state~~ Secretary of State is its agent for service of process with respect to a right of action arising out of the transaction of business in this ~~state~~ State.

(e) A foreign limited liability partnership that transacts business in this State without a statement of foreign qualification shall be liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a statement of foreign qualification;

(2) an amount equal to the fees due under this chapter during the period it transacted business in this State without a statement of foreign qualification; and

(3) other penalties imposed by law.

Sec. C.5. 11 V.S.A. § 3305 is amended to read:

§ 3305. ACTION BY ATTORNEY GENERAL

The ~~attorney general~~ Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in section 3303

of this title and to restrain a foreign limited liability partnership from transacting business in this ~~state~~ State in violation of this subchapter.

Sec. C.6. 11 V.S.A. § 3487 is amended to read:

§ 3487. TRANSACTION OF BUSINESS WITHOUT REGISTRATION

(a)(1) A foreign limited partnership transacting business in this ~~state~~ State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this ~~state~~ State until it has registered in this ~~state~~ State.

(2) The successor to a foreign limited partnership that transacted business in this State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited partnership or its successor or assignee obtains a certificate of authority.

(b) The failure of a foreign limited partnership to register in this ~~state~~ State does not impair the validity of any contract or act of the foreign limited partnership or prevent the foreign limited partnership from defending any action, suit, or proceeding in any court of this ~~state~~ State.

(c) A limited partner of a foreign limited partnership is not liable as a general partner of the foreign limited partnership solely by reason of having transacted business in this ~~state~~ State without registration.

(d) A foreign limited partnership, by transacting business in this ~~state~~ State without registration, appoints the ~~secretary of state~~ Secretary of State as its agent for service of process with respect to claims for relief and causes of action arising out of the transaction of business in this ~~state~~ State.

(e) A foreign limited partnership that transacts business in this State without a registration shall be liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a registration;

(2) an amount equal to the fees due under this chapter during the period it transacted business in this State without a registration; and

(3) other penalties imposed by law.

Sec. C.7. 11 V.S.A. § 3488 is amended to read:

§ 3488. ACTION BY ATTORNEY GENERAL

The ~~attorney general~~ Attorney General may bring an action in the Civil Division of the Superior Court to collect the penalties imposed under section

3487 of this title and to restrain a foreign limited partnership from transacting business in this ~~state~~ State in violation of this subchapter.

Sec. C.8. 11 V.S.A. § 4119 is amended to read:

§ 4119. EFFECT OF FAILURE TO OBTAIN CERTIFICATE OF AUTHORITY

(a)(1) A foreign limited liability company transacting business in this State may not maintain a proceeding or raise a counterclaim, cross-claim, or affirmative defense in any court in this State until it obtains a certificate of authority to transact business in this State.

(2) The successor to a foreign limited liability company that transacted business in this State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign limited liability company or its successor or assignee obtains a certificate of authority.

(b) The failure of a foreign limited liability company to have a certificate of authority to transact business in this State does not impair the validity of a contract or act of the company or prevent the foreign limited liability company from defending an action or proceeding in this State.

(c) A member or manager of a foreign limited liability company is not liable for the debts, obligations, or other liabilities of the company solely because the company transacted business in this State without a certificate of authority.

(d) If a foreign limited liability company transacts business in this State without a certificate of authority, it appoints the Secretary of State as its agent for service of process for claims arising out of the transaction of business in this State.

(e) A foreign limited liability company that transacts business in this State without a certificate of authority shall be liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a certificate of authority;

(2) an amount equal to the fees due under this chapter during the period it transacted business in this State without a certificate of authority; and

(3) other penalties imposed by law.

Sec. C.9. 11 V.S.A. § 4120 is amended to read:

§ 4120. ACTION BY ATTORNEY GENERAL

The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed under section 4119 of this title and to restrain a foreign limited liability company from transacting business in this State in violation of this chapter.

Sec. C.10. 11A V.S.A. § 15.02 is amended to read:

§ 15.02. CONSEQUENCES OF TRANSACTING BUSINESS WITHOUT AUTHORITY

(a) A foreign corporation transacting business in this ~~state~~ State without a certificate of authority may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense in any court in this ~~state~~ State until it obtains a certificate of authority.

(b) The successor to a foreign corporation that transacted business in this ~~state~~ State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this ~~state~~ State until the foreign corporation or its successor or assignee obtains a certificate of authority.

(c) A court may stay a proceeding commenced by a foreign corporation, its successor, or assignee until it determines whether the foreign corporation or its successor requires a certificate of authority. If it so determines, the court may further stay the proceeding until the foreign corporation or its successor obtains the certificate.

(d) A foreign corporation that transacts business in this State without a certificate of authority is liable to the ~~state~~ State for:

(1) a civil penalty of $50.00 for each day, ~~but~~ not to exceed a total of ~~$1,000.00~~ $10,000.00 for each year, it transacts business in this ~~state~~ State without a certificate of authority;

(2) an amount equal to ~~all~~ the fees ~~that would have been imposed~~ due under this ~~chapter~~ title during the ~~years, or parts thereof,~~ period it transacted business in this ~~state~~ State without a certificate of authority; and

(3) ~~such~~ other penalties ~~as are~~ imposed by law. ~~The attorney general may collect all penalties due under this subsection.~~

(e) ~~Upon petition of the attorney general~~ The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in this section and to restrain a foreign corporation not in

compliance with this chapter~~, and its officers and agents, may be enjoined by the courts of this state~~ from doing business within this ~~state~~ State.

(f) Notwithstanding subsections (a) and (b) of this section, the failure of a foreign corporation to obtain a certificate of authority does not impair the validity of its corporate acts, to the extent they are otherwise in compliance with law, or prevent it from defending any proceeding in this ~~state~~ State.

Sec. C.11. 11B V.S.A. § 15.02 is amended to read:

§ 15.02. CONSEQUENCES OF TRANSACTING BUSINESS WITHOUT AUTHORITY

(a) A foreign corporation transacting business in this ~~state~~ State without a certificate of authority may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense in any court in this ~~state~~ State until it obtains a certificate of authority.

(b) The successor to a foreign corporation that transacted business in this ~~state~~ State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this ~~state~~ State until the foreign corporation or its successor or assignee obtains a certificate of authority.

(c) A court may stay a proceeding commenced by a foreign corporation, its successor, or assignee until it determines whether the foreign corporation or its successor requires a certificate of authority. If it so determines, the court may further stay the proceeding until the foreign corporation or its successor obtains the certificate.

(d) ~~A foreign corporation is liable for a civil penalty of $50.00 for each day, but not to exceed a total of $1,000.00 for each year, it transacts business in this state without a certificate of authority, an amount equal to all fees that would have been imposed under this chapter during the years, or parts thereof, it transacted business in this state without a certificate of authority, and such other penalties as are imposed by law. The attorney general may collect all penalties due under this subsection.~~ A foreign corporation that transacts business in this State without a certificate of authority is liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a certificate of authority;

(2) an amount equal to the fees due under this title during the period it transacted business in this State without a certificate of authority; and

(3) other penalties imposed by law.

(e) The Attorney General may file an action in the Civil Division of Superior Court to collect the penalties due under this subsection and to restrain a foreign corporation not in compliance with this chapter from doing business within this State.

(f) Notwithstanding subsections (a) and (b) of this section, the failure of a foreign corporation to obtain a certificate of authority does not impair the validity of its corporate acts or prevent it from defending any proceeding in this ~~state~~ State.

Sec. C.12. 11C V.S.A. § 1402 is amended to read:

§ 1402. APPLICATION FOR CERTIFICATE OF AUTHORITY

(a) A foreign enterprise may apply for a certificate of authority by delivering an application to the Secretary of State for filing. The application shall state:

(1) the name of the foreign enterprise and, if the name does not comply with section 111 of this title, an alternative name adopted pursuant to section 1405 of this title;

(2) the name of the state or other jurisdiction under whose law the foreign enterprise is organized;

(3) the street address and, if different, mailing address of the principal office and, if the law of the jurisdiction under which the foreign enterprise is organized requires the foreign enterprise to maintain another office in that jurisdiction, the street address and, if different, mailing address of the required office;

(4) the street address and, if different, mailing address of the foreign enterprise's designated office in this State, and the name of the foreign enterprise's agent for service of process at the designated office; and

(5) the name, street address and, if different, mailing address of each of the foreign enterprise's current directors and officers.

(b) A foreign enterprise shall deliver with a completed application under subsection (a) of this section a certificate of good standing or existence or a similar record signed by the Secretary of State or other official having custody of the foreign enterprise's publicly filed records in the state or other jurisdiction under whose law the foreign enterprise is organized.

(c) A foreign enterprise may not transact business in this State without a certificate of authority.

Sec. C.13. 11C V.S.A. § 1407 is amended to read:

§ 1407. CANCELLATION OF CERTIFICATE OF AUTHORITY; EFFECT OF FAILURE TO HAVE CERTIFICATE

(a) To cancel its certificate of authority, a foreign enterprise shall deliver to the Secretary of State for filing a notice of cancellation. The certificate is canceled when the notice becomes effective under section 203 of this title.

(b)(1) A foreign enterprise transacting business in this State may not maintain an action or proceeding or raise a counterclaim, crossclaim, or affirmative defense in this State unless it has a certificate of authority.

(2) The successor to a foreign enterprise that transacted business in this State without a certificate of authority and the assignee of a cause of action arising out of that business may not maintain a proceeding or raise a counterclaim, crossclaim, or affirmative defense based on that cause of action in any court in this State until the foreign enterprise or its successor or assignee obtains a certificate of authority.

(c) The failure of a foreign enterprise to have a certificate of authority does not impair the validity of a contract or act of the foreign enterprise or prevent the foreign enterprise from defending an action or proceeding in this State.

(d) A member of a foreign enterprise is not liable for the obligations of the foreign enterprise solely by reason of the foreign enterprise's having transacted business in this State without a certificate of authority.

(e) If a foreign enterprise transacts business in this State without a certificate of authority or cancels its certificate, it appoints the Secretary of State as its agent for service of process for an action arising out of the transaction of business in this State.

(f) A foreign enterprise that transacts business in this State without a certificate of authority is liable to the State for:

(1) a civil penalty of $50.00 for each day, not to exceed a total of $10,000.00 for each year, it transacts business in this State without a certificate of authority;

(2) an amount equal to the fees due under this title during the period it transacted business in this State without a certificate of authority; and

(3) other penalties imposed by law.

Sec. C.14. 11C V.S.A. § 1408 is amended to read:

§ 1408. ACTION BY ATTORNEY GENERAL

The Attorney General may maintain an action in the Civil Division of the Superior Court to collect the penalties imposed in section 1407 of this title and to restrain a foreign enterprise from transacting business in this State in violation of this ~~article~~ chapter.

* * * Anti-Trust Penalties * * *

Sec. D.1. 9 V.S.A. § 2458 is amended to read:

§ 2458. RESTRAINING PROHIBITED ACTS

* * *

(b) In addition to the foregoing, the Attorney General or a State's Attorney may request and the court is authorized to render any other temporary or permanent relief, or both, as may be in the public interest including:

(1) the imposition of a civil penalty of not more than $10,000.00 for each ~~violation~~ unfair or deceptive act or practice in commerce, and of not more than $100,000.00 for an individual or $1,000,000.00 for any other person for each unfair method of competition in commerce;

* * *

* * * Discount Membership Programs * * *

Sec. E.1. 9 V.S.A. chapter 63, subchapter 1D is amended to read:

Subchapter 1D. Third-Party Discount Membership Programs

§ 2470aa. DEFINITIONS

~~In~~ As used in this subchapter:

(1) "Billing information" means any data that enables a seller of a third-party discount membership program to access a consumer's credit or debit card, bank, or other account, but does not include the consumer's name, e-mail address, telephone number, or mailing address. For credit card and debit card accounts, billing information includes the full account number, card type, and expiration date, and, if necessary, the security code. For accounts at a financial institution, "billing information" includes the full account number and routing number, and, if necessary, the name of the financial institution holding the account.

(2) A "third-party discount membership program" is a program that entitles consumers to receive discounts, rebates, rewards, or similar incentives on the purchase of goods or services or both, in whole or in part, from any third party.

§ 2470bb. APPLICABILITY

(a) A third-party discount membership program is a good or service within the meaning of subsection 2451a(b) of this chapter.

(b) This subchapter applies only to persons who are regularly and primarily engaged in trade or commerce in this State in connection with offering or selling third-party discount membership programs.

(c) This subchapter shall not apply to an electronic payment system, as defined in section 2480o of this title, or to a financial institution, as defined in 8 V.S.A. § 11101(32).

§ 2470cc. REQUIRED DISCLOSURES; CONSENT

(a) No person shall charge or attempt to charge a consumer for a third-party discount membership program, or to renew a third-party discount membership program beyond the term expressly agreed to by the consumer or the term permitted under section 2470ff of this title, whichever is shorter, unless:

(1) ~~Before~~ before obtaining the consumer's billing information, the person has clearly and conspicuously disclosed to the consumer all material terms of the transaction, including:

(A) a description of the types of goods and services on which a discount is available~~.~~;

(B) the name of the third-party discount membership program, ~~and~~ the name and address of the seller of the program~~.~~, and a telephone number, e-mail address, or other contact information the consumer may use to contact the seller with questions concerning the operation of the program;

(C) the amount, or a good faith estimate, of the typical discount on each category of goods and services~~.~~;

(D) the cost of the program, including the amount of any periodic charges, how often such charges are imposed, and the method of payment~~.~~;

(E) the right to cancel and to terminate the program, which shall be no more restrictive than as required by section 2470ee of this subchapter, and a toll-free telephone number and e-mail address that can be used to cancel the membership~~.~~;

(F) the maximum length of membership, as described in section 2470ff of this subchapter~~.~~;

(G) in the event that the program is offered on the Internet through a link or referral from another business's website, the fact that the seller is not affiliated with that business.; and

(H) the fact that periodic notices of the program billings will be e-mailed or mailed to the consumer, as the case may be, consistent with section 2470dd of this title; and

(2) The the person has received express informed consent for the charge from the consumer whose credit or debit card, bank, or other account will be charged, by:

(A) obtaining from the consumer:

(i) the consumer's billing information; and

(ii) the consumer's name and address and a means to contact the consumer; and

(B) requiring the consumer to perform an additional affirmative action, such as clicking on an online confirmation button, checking an online box that indicates the consumer's consent to be charged the amount disclosed, or expressly giving consent over the telephone.

(b) A person who sells third-party discount membership programs shall retain evidence of a consumer's express informed consent for at least three years after the consent is given.

(c) A person who sells a third-party discount membership program shall provide to a consumer on the receipt for the underlying good or service:

(1) confirmation that the consumer has signed up for a discount membership program;

(2) the price the consumer will be charged for the program;

(3) the date on which the consumer will first be charged for the program;

(4) the frequency of charges for the program; and

(5) information concerning the consumer's right to cancel the program and a toll-free telephone number, address, and e-mail address a consumer may use to cancel the program.

§ 2470dd. PERIODIC NOTICES

(a) A person who periodically charges a consumer for a third-party discount membership program shall send the consumer a notice of the charge no less frequently than every three months from the date of initial enrollment that clearly and conspicuously discloses:

(1) a description of the program;

(2) the name of the third-party discount membership program and the name and address of the seller of the program;

(3) the cost of the program, including the amount of any periodic charges, how often such charges are imposed, and the method of payment;

(4) the right to cancel and to terminate the program, which shall be no more restrictive than as required by section 2470ee of this subchapter, and a toll-free number and e-mail address that can be used to cancel the membership; and

(5) the maximum length of membership, as described in section 2470ff of this subchapter.

(b) The notice specified in subsection (a) of this section:

(1) ~~Shall~~ shall be sent:

(A) ~~To~~ to the consumer's last known e-mail address, if the consumer enrolled in the third-party discount membership program online or by e-mail, with the subject line, "IMPORTANT INFORMATION ABOUT YOUR DISCOUNT PROGRAM BILLING," or substantially similar words, provided that the sender takes reasonable steps to verify that the e-mail has been opened; or

(B) ~~Otherwise~~ otherwise by first-class mail to the consumer's last known mailing address, with the heading on the enclosure and outside envelope, "IMPORTANT INFORMATION ABOUT YOUR DISCOUNT PROGRAM BILLING," or substantially similar words; and

(2) ~~Shall~~ shall not include any solicitation or advertising.

§ 2470ee. CANCELLATION AND TERMINATION

(a) In addition to any other right to revoke an offer, a consumer may cancel the purchase of a third-party discount membership program until midnight on the 30th day after the date the consumer has given express informed consent to be charged for the program. If the consumer cancels within the 30-day period, the seller of the third-party discount membership program shall, within 10 days of receiving the notice of cancellation, provide a full refund to the consumer.

(b)(1) Notice of cancellation shall be deemed given when deposited in a mailbox properly addressed and postage prepaid or when e-mailed to the e-mail address of the seller of the third-party discount membership program.

(2) A consumer may cancel a third-party discount membership program verbally by contacting the seller at a toll-free telephone number that the seller provides for that purpose.

(c) In addition to the right to cancel described in this subchapter, a consumer may terminate a third-party discount membership program at any time by providing notice to the seller by one of the methods described in this section. In that case, the consumer shall not be obligated to make any further payments under the program and shall not be entitled to any discounts under the program for any period of time after the last month for which payment has been made.

(d) If the seller of a third-party discount membership program cancels the program for any reason other than nonpayment by the consumer, the seller shall make pro rata reimbursement to the consumer of all periodic charges paid by the consumer for periods of time after cancellation. Prior to such cancellation, the seller shall first provide reasonable notice and an explanation of the cancellation in writing to the consumer.

§ 2470ff. MAXIMUM LENGTH OF PLAN

No person shall sell, or offer for sale, a third-party discount membership program lasting longer than 18 months.

§ 2470gg. BILLING INFORMATION

No person who offers or sells third-party discount membership programs shall obtain billing information relating to a consumer except directly from the consumer.

§ 2470hh. VIOLATIONS

(a) A person who violates this subchapter commits an unfair and deceptive act in trade and commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as is provided under subchapter 1 of this chapter.

(c) It is an unfair and deceptive act and practice in commerce for any person to provide substantial assistance to the seller of a third-party discount membership program that has engaged or is engaging in an unfair or deceptive act or practice in commerce, when the person or the person's authorized agent:

(1) receives notice from a regulatory, law enforcement, or similar governmental authority that the seller of the third-party discount membership program is in violation of this subchapter;

(2) knows from information received or in its possession that the seller of the third-party discount membership program is in violation of this subchapter; or

(3) consciously avoids knowing that the seller of the third-party discount membership program is in violation of this subchapter.

(d) Subject to section 2452 of this title, a person who provides only incidental assistance, which does not further the sale of a third-party discount membership program, to the seller of the program, or who does not receive a benefit from providing assistance to the seller of a discount membership, shall not be liable under this section unless the person receives notice, knows, or consciously avoids knowing, pursuant to subdivision (c)(1), (2), or (3) of this section, that a third-party discount membership program is in violation of this chapter.

Sec. E.2. 9 V.S.A. chapter 63, subchapter 1E is added to read:

Subchapter 1E: Add-On Discount Membership Programs

§ 2470ii. DEFINITIONS

As used in this subchapter:

(1) An "add-on discount membership program" is a program that entitles consumers to receive discounts, rebates, rewards, or similar incentives on the purchase of goods or services or both, sold to a consumer during the purchase of a different good or service using the same billing information.

(2) "Billing information" means any data that enables a seller of an add-on discount membership program to access a consumer's credit or debit card, bank, or other account, but does not include the consumer's name, e-mail address, telephone number, or mailing address. For credit card and debit card accounts, billing information includes the full account number, card type, and expiration date, and, if necessary, the security code. For accounts at a financial institution, "billing information" includes the full account number and routing number, and, if necessary, the name of the financial institution holding the account.

§ 2470jj. APPLICABILITY

(a) An add-on discount membership program is a good or service within the meaning of subsection 2451a(b) of this title.

(b) This subchapter applies only to persons who are regularly engaged in offering or selling add-on discount membership programs.

(c) This subchapter shall not apply to an electronic payment system, as defined in section 2480o of this title, or to a financial institution, as defined in 8 V.S.A. § 11101(32).

§ 2470kk. REQUIRED DISCLOSURES; CONSENT

(a) No person shall charge or attempt to charge a consumer for an add-on discount membership program, or to renew an add-on discount membership program beyond the term expressly agreed to by the consumer, unless:

(1) before obtaining the consumer's billing information, the person has clearly and conspicuously disclosed to the consumer all material terms of the transaction, including:

(A) a description of the types of goods and services on which a discount is available;

(B) the name of the add-on discount membership program, the name and address of the seller of the program, and a telephone number, e-mail address, or other contact information the consumer may use to contact the seller with questions concerning the operation of the program;

(C) the cost of the program, including the amount of any periodic charges, how often such charges are imposed, and the method of payment; and

(D) the right to cancel and to terminate the program, which shall be no more restrictive than as required by section 2470ll of this title, and a toll-free telephone number and e-mail address that can be used to cancel the membership;

(2) before obtaining the consumer's billing information, the person has received express informed consent for the add-on membership program from the consumer whose credit or debit card, bank, or other account will be charged, by requiring the consumer to perform an additional affirmative action, such as clicking on an online confirmation button, checking an online box that indicates the consumer's consent to be charged the amount disclosed, or expressly giving consent over the telephone; and

(3) after providing the disclosures and obtaining the consent required by subdivisions (1) and (2) of this subsection, obtaining from the consumer:

(A) the consumer's billing information; and

(B) the consumer's name and address, and a means to contact the consumer.

(b) A person who sells an add-on discount membership program shall retain evidence of a consumer's express informed consent for at least three years after the consent is given.

(c) A person who sells an add-on discount membership program shall provide to a consumer on the receipt for the underlying good or service:

(1) confirmation that the consumer has signed up for a discount membership program;

(2) the price the consumer will be charged for the program;

(3) the date on which the consumer will first be charged for the program;

(4) the frequency of charges for the program; and

(5) information concerning the consumer's right to cancel the program and a toll-free telephone number, address, and e-mail address a consumer may use to cancel the program.

§ 2470ll. CANCELLATION AND TERMINATION

(a) In addition to any other right to revoke an offer, a consumer may cancel the purchase of an add-on discount membership program until midnight on the 30th day after the date the consumer has given express informed consent to be charged for the program. If the consumer cancels within the 30-day period, the seller of the add-on discount membership program shall, within 10 days of receiving the notice of cancellation, provide a full refund to the consumer less the value of any discount the consumer has received by using the add-on discount membership program.

(b)(1) Notice of cancellation shall be deemed given when deposited in a mailbox properly addressed and postage prepaid or when e-mailed to the e-mail address of the seller of the add-on discount membership program.

(2) A consumer may cancel an add-on discount membership program verbally by contacting the seller at a toll-free telephone number that the seller provides for that purpose.

(c) In addition to the right to cancel described in this subchapter, a consumer may terminate an add-on discount membership program at any time by providing notice to the seller by one of the methods described in this section. In that case, the consumer shall not be obligated to make any further payments under the program and shall not be entitled to any discounts under the program for any period of time after the last month for which payment has been made.

(d) If the seller of an add-on discount membership program cancels the program for any reason other than nonpayment by the consumer, the seller shall make pro rata reimbursement to the consumer of all periodic charges paid by the consumer for periods of time after cancellation. Prior to such cancellation, the seller shall first provide reasonable notice and an explanation of the cancellation in writing to the consumer.

§ 2470mm. BILLING INFORMATION

A person who offers or sells a discount membership program may not obtain billing information relating to a consumer except directly from the consumer.

§ 2470nn. VIOLATIONS

(a) A person who violates this subchapter commits an unfair and deceptive act in trade and commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as is provided under subchapter 1 of this chapter.

(c) It is an unfair and deceptive act and practice in commerce for any person to provide substantial assistance to the seller of an add-on discount membership program that has engaged or is engaging in an unfair or deceptive act or practice in commerce, when the person or the person's authorized agent:

(1) receives notice from a regulatory, law enforcement, or similar governmental authority that the seller of the add-on discount membership program is in violation of this subchapter;

(2) knows from information received or in its possession that the seller of the add-on discount membership program is in violation of this subchapter; or

(3) consciously avoids knowing that the seller of the add-on discount membership program is in violation of this subchapter.

(d) Subject to section 2452 of this title, a person who provides only incidental assistance, which does not further the sale of an add-on discount membership program, to the seller of the program, or who does not receive a benefit from providing assistance to the seller of a an add-on discount membership, shall not be liable under this section unless the person receives notice, knows, or consciously avoids knowing, pursuant to subdivision (c)(1), (2), or (3) of this section, that an add-on discount membership program is in violation of this chapter.

* * * Nonresidential Home Improvement Fraud * * *

Sec. F.1. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT FRAUD

(a) As used in this section, "home improvement" includes the fixing, replacing, remodeling, removing, renovation, alteration, conversion, improvement, demolition, or rehabilitation of or addition to any building or land, or any portion thereof, which is used or designed to be used as a

residence or dwelling unit. Home improvement shall include the construction, replacement, installation, paving, or improvement of driveways, roofs, and sidewalks, and the limbing, pruning, and removal of trees or shrubbery and other improvements to structures or upon land that is adjacent to a dwelling house.

(b)(1) A person commits the offense of home improvement fraud when he or she enters into a contract or agreement, written or oral, for $500.00 or more, with an owner for home improvement, or into several contracts or agreements for $2,500.00 or more in the aggregate, with more than one owner for home improvement, and he or she knowingly:

(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance or a refund of payment made, the person fails to either:

(i) refund the payment; or

(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of home improvement fraud or of fraudulent acts related to home improvement:

(1) the person shall notify the Office of Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of Attorney General shall place the person's name on the Home Improvement <u>and Nonresidential Improvement</u> Fraud Registry.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than $1,000.00, or both, if the loss to a single consumer is less than $1,000.00.

(2) A person who is convicted of a second or subsequent violation of subdivision (1) of this subsection shall be imprisoned not more than three years or fined not more than $5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than $5,000.00, or both, if:

(A) the loss to a single consumer is $1,000.00 or more; or

(B) the loss to more than one consumer is $2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision (3) of this subsection shall be imprisoned not more than five years or fined not more than $10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than $1,000.00, or both.

(e) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, subdivision of 2029a(d)(2), (3), or (4) of this title, or convicted of fraudulent acts related to home improvement, may engage in home improvement activities for compensation only if:

(1) the work is for a company or individual engaged in home improvement activities or nonresidential improvement activities, and the person first notifies the company or individual of the conviction and notifies the Office of Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(2) the person notifies the Office of Attorney General of the intent to engage in home improvement activities or nonresidential improvement activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than $50,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(f) The Office of Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement fraud or nonresidential improvement fraud have been paid;

(2) there are no pending actions or claims against the person for home improvement fraud or nonresidential improvement fraud; and

(3) the person has not been engaged in home improvement activities or nonresidential improvement activities for at least six years and has signed an affidavit so attesting.

(g) [Reserved.]

(h) [Repealed.]

Sec. F.2. 13 V.S.A. § 2029a is added to read:

§ 2029a. NONRESIDENTIAL IMPROVEMENT FRAUD

(a) As used in this section, "nonresidential improvement" includes the fixing, replacing, remodeling, removing, renovation, alteration, conversion, improvement, demolition, or rehabilitation of or addition to any building or land, or any portion thereof, that is used or designed to be used as a business, office, or by the State, a county, or a municipality. Nonresidential improvement shall include the construction, replacement, installation, paving, or improvement of driveways, parking lots, signs, roofs, and sidewalks, and the limbing, pruning, and removal of trees or shrubbery and other improvements to structures or upon land that is adjacent to a business, office, or State, county, or municipal building.

(b)(1) A person commits the offense of nonresidential improvement fraud when he or she enters into a contract or agreement, written or oral, for $1,000.00 or more, with an owner for nonresidential improvement, or into several contracts or agreements for $5,000.00 or more in the aggregate, with more than one owner for nonresidential improvement, and he or she knowingly:

(A) fails to perform the contract or agreement, in whole or in part; and

(B) when the owner requests performance or a refund of payment made, the person fails to either:

(i) refund the payment; or

(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner;

(2) misrepresents a material fact relating to the terms of the contract or agreement or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract or agreement or to modify the terms of the original contract or agreement; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average

price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

(c) Whenever a person is convicted of nonresidential improvement fraud:

(1) the person shall notify the Office of Attorney General;

(2) the court shall notify the Office of the Attorney General; and

(3) the Office of Attorney General shall place the person's name on the Home Improvement and Nonresidential Improvement Fraud Registry.

(d)(1) A person who violates subsection (b) of this section shall be imprisoned not more than two years or fined not more than $1,000.00, or both, if the loss to a single consumer is less than $1,000.00.

(2) A person who is convicted of a second or subsequent violation of subdivision (1) of this subsection shall be imprisoned not more than three years or fined not more than $5,000.00, or both.

(3) A person who violates subsection (b) of this section shall be imprisoned not more than three years or fined not more than $5,000.00, or both, if:

(A) the loss to a single consumer is $1,000.00 or more; or

(B) the loss to more than one consumer is $2,500.00 or more in the aggregate.

(4) A person who is convicted of a second or subsequent violation of subdivision (3) of this subsection shall be imprisoned not more than five years or fined not more than $10,000.00, or both.

(5) A person who violates subsection (c) or (e) of this section shall be imprisoned for not more than two years or fined not more than $1,000.00, or both.

(e) A person who is sentenced pursuant to subdivision (d)(2), (3), or (4) of this section, subdivision 2029(d)(2), (3), or (4) of this title, or convicted of fraudulent acts related to nonresidential improvement, may engage in home improvement activities or nonresidential improvement activities for compensation only if:

(1) the work is for a company or individual engaged in home improvement activities or nonresidential improvement activities, and the person first notifies the company or individual of the conviction and notifies the Office of Attorney General of the person's current address and telephone number; the name, address, and telephone number of the company or individual for whom the person is going to work; and the date on which the person will start working for the company or individual; or

(2) the person notifies the Office of Attorney General of the intent to engage in home improvement activities or nonresidential improvement activities, and that the person has filed a surety bond or an irrevocable letter of credit with the Office in an amount of not less than $50,000.00, and pays on a regular basis all fees associated with maintaining such bond or letter of credit.

(f) The Office of Attorney General shall release the letter of credit at such time when:

(1) any claims against the person relating to home improvement fraud or nonresidential improvement fraud have been paid;

(2) there are no pending actions or claims against the person for home improvement fraud or nonresidential improvement fraud; and

(3) the person has not been engaged in home improvement activities or nonresidential improvement activities for at least six years and has signed an affidavit so attesting.

* * * Financial Institutions; Licensed Lender; Technical Corrections * * *

G.1. 8 V.S.A. § 10101 is amended to read:

§ 10101. APPLICATION OF CONSUMER PROTECTION CHAPTER

Except as otherwise provided in this chapter, the provisions of this chapter shall apply to all financial institutions, as defined in subdivision 11101(32) of this title, licensed lenders, mortgage brokers, mortgage loan originators, sales finance companies, independent trust companies, money service providers, debt adjusters, loan servicers, credit unions, and any other person doing or soliciting business in this State as described in Part 2, 4, or 5~~, or 6~~ of this title, in addition to any other applicable consumer protection or remedy section not contained in this chapter, unless such consumer protection or remedy section is expressly made exclusive.

G.2. 8 V.S.A. § 10601 is amended to read:

§ 10601. APPLICATION

This subchapter shall apply to all persons licensed, authorized, or registered, or required to be licensed, authorized, or registered under Parts 2, 4, and 5~~, and 6~~ of this title.

G.3. 8 V.S.A. 2200(17) is amended to read:

(17) "Mortgage loan originator":

* * *

(D) Does not include:

(i) an individual engaged solely as a loan processor or underwriter, except as otherwise provided in subsection 2201~~(f)~~(g) of this chapter;

* * *

* * * Internet Dating Services * * *

Sec. H.1. FINDINGS AND PURPOSE

(a) The General Assembly finds:

(1) Currently, an Internet dating service does not have an affirmative duty under any state or federal law to ban a member of the service, but a service may choose to voluntarily ban a member for violating one or more terms of use, or because the service determines the member poses a risk of defrauding another member.

(2) In 2014, Internet dating services banned millions of members, the vast majority of which were banned within 72 hours of creating an account with the service.

(3) Of the members banned in 2014, well less than one percent contacted the Internet dating service concerning the ban.

(4) Due to a growing number of cases in which Vermont members of Internet dating services have lost significant financial amounts to persons using Internet dating services to defraud members or businesses, the Office of the Vermont Attorney General proposes this legislation, working with the input of multiple Internet dating services and other stakeholders.

(5) If an Internet dating service violates the statutory provisions created in this act, the Attorney General has the authority pursuant to 9 V.S.A. §§ 2458 and 2459 to request from a court, or to settle with the service for, restitution for a consumer or class of consumers affected by the violation.

(b) Purpose. The purposes of this act are:

(1) to protect Vermont consumers by requiring an Internet dating service to disclose in a timely manner important information about banned members to Vermont members of the service;

(2) to protect Internet dating services from liability to members for disclosing the information required by this act, while preserving liability to the State of Vermont and its agencies, departments, and subdivisions for violating this act; and

(3) to protect Vermont consumers and other members of Internet dating services by requiring an Internet dating service to notify its Vermont members when there is a significant change to the Vermont member's account information.

H.2. 9 V.S.A. chapter 63, subchapter 8 is added to read:

Subchapter 8. Internet Dating Services

§ 2482a. DEFINITIONS

In this chapter:

(1) "Account change" means a change to a member's password, username, e-mail address, or other contact information an Internet dating service uses to enable communications between members.

(2) "Banned member" means the member whose account or profile is the subject of a fraud ban.

(3) "Fraud ban" means barring a member's account or profile from an Internet dating service because, in the judgment of the service, the member poses a significant risk of attempting to obtain money from other members through fraudulent means.

(4) "Internet dating service" means a person, or a division of a person, that is primarily in the business of providing dating services principally on or through the Internet.

(5) "Member" means a person who submits to an Internet dating service information required to access the service and who obtains access to the service.

(6) "Vermont member" means a member who provides a Vermont residential or billing address or zip code when registering with the Internet dating service.

§ 2482b. REQUIREMENTS FOR INTERNET DATING SERVICES

(a) An Internet dating service shall disclose to all of its Vermont members known to have previously received and responded to an on-site message from a banned member:

(1) the user name, identification number, or other profile identifier of the banned member;

(2) the fact that the banned member was banned because, in the judgment of the Internet dating service, the banned member may have been using a false identity or may pose a significant risk of attempting to obtain money from other members through fraudulent means;

(3) that a member should never send money or personal financial information to another member; and

(4) a hyperlink to online information that clearly and conspicuously addresses the subject of how to avoid being defrauded by another member of an Internet dating service.

(b) The notification required by subsection (a) of this section shall be:

(1) clear and conspicuous;

(2) by e-mail, text message, or other appropriate means of communication; and

(3) sent within 24 hours after the fraud ban, or at a later time if the service has determined, based on an analysis of effective messaging, that a different time is more effective, but in no event later than three days after the fraud ban.

(c) An Internet dating service shall disclose in an e-mail, text message, or other appropriate means of communication, in a clear and conspicuous manner, within 24 hours after discovering an account change to a Vermont member's account:

(1) the fact that information on the member's account ~~or personal profile~~ has been changed;

(2) a brief description of the change; and

(3) if applicable, how the member may obtain further information on the change.

(d)(1) A banned member from Vermont who is identified to one or more Vermont members pursuant to subsection (a) of this section shall have the right to challenge the ban by written complaint to the Office of the Vermont Attorney General.

(2) The Office of the Attorney General shall review a challenge brought by a banned member pursuant to this subsection and, if it finds that there was no reasonable basis for banning the member, shall require the Internet dating service to take reasonable corrective action to cure the erroneous ban.

§ 2482c. LIMITED IMMUNITY

(a) An Internet dating service shall not be liable to any person, other than the State of Vermont, or any agency, department, or subdivision of the State, for disclosing to any member that it has banned a member, the user name or identifying information of the banned member, or the reasons for the Internet dating service's decision to ban such member in accordance with section 2482b of this title.

(b) An Internet dating service shall not be liable to any person, other than the State of Vermont, or any agency, department, or subdivision of the State,

for the decisions regarding whether to ban a member, or how or when to notify a member pursuant to section 2482b of this title.

(c) This subchapter does not diminish or adversely affect the protections for Internet dating services that are afforded in 47 U.S.C. § 230 (Federal Communications Decency Act).

§ 2482d. VIOLATIONS

(a) A person who violates this subchapter commits an unfair and deceptive act in trade and commerce in violation of section 2453 of this title.

(b) The Attorney General has the same authority to make rules, conduct civil investigations, and enter into assurances of discontinuance as is provided under subchapter 1 of this chapter.

* * * Effective Dates * * *

Sec. I.1. EFFECTIVE DATES

(a) This section and Secs. G.1–G.3 (technical corrections) take effect on passage.

(b) The following sections take effect on July 1, 2016:

(1) Sec. A.1 (consumer litigation funding).

(2) Sec. B.1 (structured settlements agreements).

(3) Secs. C.1–C.12 (business registration; enforcement).

(4) Sec. D.1 (anti-trust penalties).

(5) Secs. E.1–E.2 (discount membership programs).

(6) Secs. F.1–F.2 (nonresidential home improvement fraud).

(7) Sec. H.1 (findings and purpose; internet dating services).

(c) In Sec. H.2 (internet dating services):

(1) 9 V.S.A. §§ 2482a, 2482c, and 2482d shall take effect on passage.

(2) 9 V.S.A. § 2482b shall take effect on January 1, 2017.

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

An act relating to consumer protection.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, Senator Mullin moved that the Senate concur in the House proposal of amendment to the Senate proposal of amendment with the further proposal of amendment as follows:

First: In Sec. A.1, 8 V.S.A. § 2260, concerning reports about consumer litigation funding in Vermont, in subsection (a), by striking out "April 1" in its entirety and inserting in lieu thereof January 10

Second: In Sec. A.1, 8 V.S.A. § 2260, by striking out subsection (c) in its entirety and by inserting in lieu thereof a new subsection (c) to read as follows:

(c) Annually, beginning on or before January 31, 2017, the Commissioner and Attorney General shall report jointly to the General Assembly on the status of consumer litigation funding in Vermont and make any recommendations they deem necessary to improve the regulatory framework of consumer litigation funding, including a recommendation on whether Vermont should limit charges imposed under a consumer litigation funding contract and, if so, a specific recommendation on what that limit should be.

Third: By striking out Sec. I.1 and inserting in lieu thereof reader assistance and Secs. I.1, J.1–J.3, and K.1 to read:

* * * Fantasy Sports Contests * * *

Sec. I.1. 9 V.S.A. chapter 116 is added to read:

CHAPTER 116. FANTASY SPORTS CONTESTS

§ 4185. DEFINITIONS

As used in this chapter:

(1) "Confidential fantasy sports contest information" means nonpublic information available to a fantasy sports operator that relates to a fantasy sports player's activity in a fantasy sports contest and that, if disclosed, may give another fantasy sports player an unfair competitive advantage in a fantasy sports contest.

(2) "Fantasy sports contest" means a virtual or simulated sporting event governed by a uniform set of rules adopted by a fantasy sports operator in which:

(A) a fantasy sports player may earn one or more cash prizes or awards, the value of which a fantasy sports operator discloses in advance of the contest;

(B) a fantasy sports player uses his or her knowledge and skill of sports data, performance, and statistics to create and manage a fantasy sports team;

(C) a fantasy sports team earns fantasy points based on the sports performance statistics accrued by individual athletes or teams, or both, in real world sporting events;

(D) the outcome is determined by the number of fantasy points earned; and

(E) the outcome is not determined by the score, the point spread, the performance of one or more teams, or the performance of an individual athlete in a single real world sporting event.

(3) "Fantasy sports operator" means a person that offers to members of the public the opportunity to participate in a fantasy sports contest for consideration.

(4) "Fantasy sports player" means an individual who participates in a fantasy sports contest for consideration.

§ 4186. CONSUMER PROTECTION

(a) A fantasy sports operator shall adopt policies and procedures to:

(1) prevent participation in a fantasy sports contest he or she offers with a cash prize of $5.00 or more by:

(A) the fantasy sports operator;

(B) an employee of the fantasy sports operator or a relative of the employee who lives in the same household; or

(C) a professional athlete or official who participates in one or more real world sporting events in the same sport as the fantasy sports contest;

(2) prevent the disclosure of confidential fantasy sports contest information to an unauthorized person;

(3) require that a fantasy sports player is 18 years of age or older, and verify the age of each player using one or more commercially available databases, which primarily consist of data from government sources and which government and business regularly use to verify and authenticate age and identity;

(4) limit and disclose to prospective players the number of entries a fantasy sports player may submit for each fantasy sports contest; and

(5) segregate player funds from operational funds and maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, a bond, or a combination thereof in an amount that equals or exceeds the amount of deposits in fantasy sports player accounts for the benefit and protection of fantasy sports player funds held in their accounts.

(b) A fantasy sports operator shall have the following duties:

(1) The operator shall provide a link on its website to information and resources addressing addiction and compulsive behavior and where to seek assistance with these issues in Vermont and nationally.

(2)(A) The operator shall enable a fantasy sports player to restrict irrevocably his or her own ability to participate in a fantasy sports contest, for a period of time the player specifies, by submitting a request to the operator through its website or by online chat with the operator's agent.

(B) The operator shall provide to a player who self-restricts his or her participation information concerning:

(i) available resources addressing addiction and compulsive behavior;

(ii) how to close an account and restrictions on opening a new account during the period of self-restriction;

(iii) requirements to reinstate an account at the end of the period; and

(iv) how the operator addresses reward points and account balances during and after the period of self-restriction, and when the player closes his or her account.

(3) The operator shall provide a player access to the following information for the previous six months:

(A) a player's play history, including money spent, games played, previous line-ups, and prizes awarded;

(B) a player's account details, including deposit amounts, withdrawal amounts, and bonus information, including amounts remaining for a pending bonus and amounts released to the player.

(c)(1) A fantasy sports operator shall contract with a third party to perform an annual independent audit, consistent with the standards established by the Public Company Accounting Oversight Board, to ensure compliance with the requirements in this chapter.

(2) The fantasy sports operator shall submit the results of the independent audit to the Attorney General.

(d) A fantasy sports operator shall not offer a fantasy sports contest that relates to sports performance statistics accrued by individual athletes or teams, or both, in university, college, high school, or youth sporting events.

§ 4187. PENALTY

A person who violates a provision of this chapter shall be subject to a civil penalty of not more than $1,000.00 for each violation, which shall accrue to the State and may be recovered in a civil action brought by the Attorney General.

§ 4188. EXEMPTION

The provisions of 13 V.S.A. chapter 51, relating to gambling and lotteries, shall not apply to a fantasy sports contest.

* * * Equipment and Machinery Dealers * * *

Sec. J.1. FINDINGS AND INTENT

(a) The General Assembly finds:

(1) Vermont has long relied on economic activity relating to working farms and forestland in the State. These working lands, and the people who work the land, are part of the State's cultural and ecological heritage, and Vermont has made major policy and budget commitments in recent years in support of working lands enterprises. Farm and forest enterprises need a robust system of infrastructure to support their economic and ecological activities, and that infrastructure requires a strong economic base consisting of dealers, manufacturers, and repair facilities. Initiatives to help strengthen farm and forest working land infrastructure are in the best interest of the State.

(2) Snowmobiles and all-terrain vehicles have a significant economic impact in the State, including the distribution and sale of these vehicles, use by residents, ski areas, and emergency responders, as well as tourists who come to enjoy riding snowmobiles and all-terrain vehicles in Vermont. It is in the best interest of the State to ensure that Vermont consumers who want to purchase snowmobiles and all-terrain vehicles have access to a competitive marketplace and a strong network of dealers, suppliers, and repair facilities in the State.

(3) The distribution and sale of equipment, snowmobiles, and all-terrain vehicles within this State vitally affects the general economy of the State and the public interest and the public welfare, and in order to promote the public interest and the public welfare, and in the exercise of its police power, it is necessary to regulate equipment, snowmobile, and all-terrain vehicle suppliers and their representatives, and to regulate dealer agreements issued by suppliers who are doing business in this State, in order to protect and preserve the investments and properties of the citizens of this State.

(4) There continues to exist an inequality of bargaining power between equipment, snowmobile, and all-terrain vehicle suppliers and the independent dealer network. This inequality of bargaining power enables equipment,

snowmobile, and all-terrain vehicle suppliers to compel dealers to execute dealer agreements, related contracts, and addenda that contain terms and conditions that would not routinely be agreed to by the equipment, snowmobile, and all-terrain vehicle dealer if this inequality did not exist. It therefore is in the public interest to enact legislation to prevent unfair or arbitrary treatment of equipment, snowmobile, and all-terrain vehicle dealers by equipment, snowmobile, and all-terrain vehicle suppliers. It is also in the public interest that Vermont consumers, municipalities, businesses, and others that purchase equipment, snowmobiles, and all-terrain vehicles in Vermont have access to a robust independent dealer network to obtain competitive prices when purchasing these items and to obtain warranty, recall, or other repair work.

(b) It is the intent of the General Assembly that this act be liberally construed in order to achieve its purposes.

Sec. J.2. 9 V.S.A. chapter 107 is amended to read:

CHAPTER 107. EQUIPMENT AND MACHINERY DEALERSHIPS

§ 4071. DEFINITIONS

As used in this chapter:

(1) "Current net price" means the price listed in the supplier's price list or ~~catalog~~ catalogue in effect at the time the dealer agreement is terminated, less any applicable discounts allowed.

(2)(A) "Dealer" means a person~~, corporation, or partnership~~ primarily engaged in the business of retail sales of ~~farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, yard and garden equipment, attachments, accessories, and repair parts~~ inventory. ~~Provided however~~, "dealer" shall

(B) "Dealer" does not include a "single line dealer," a person primarily engaged in the retail sale and service of industrial, forestry, and construction equipment~~. "Single line dealer" means a person, partnership or corporation~~ who:

~~(A)~~(i) has purchased 75 percent or more of ~~the dealer's total new product~~ his or her new inventory from a single supplier; and

~~(B)~~(ii) has a total annual average sales volume for the previous three years in excess of ~~$15~~ $100 million for the entire territory for which the dealer is responsible.

(3) "Dealer agreement" means a written or oral ~~contract or~~ agreement between a dealer and a ~~wholesaler, manufacturer, or distributor~~ supplier by which the supplier gives the dealer ~~is granted~~ the right to sell or distribute

goods or services or to use a trade name, trademark, service mark, logotype, or advertising or other commercial symbol.

(4) ~~"Inventory" means farm, utility, forestry, or industrial equipment, implements, machinery, yard and garden equipment, attachments, or repair parts. These terms do not include heavy construction equipment.~~

(A) "Inventory" means:

(i) farm, utility, forestry, yard and garden, or industrial:

(I) tractors;

(II) equipment;

(III) implements;

(IV) machinery;

(V) attachments;

(VI) accessories; and

(VII) repair parts;

(ii) snowmobiles, as defined in 23 V.S.A. § 3201(5); and

(iii) all-terrain vehicles, as defined in 23 V.S.A. § 3801(1).

(B) "Inventory" does not include heavy construction equipment.

(5) "Net cost" means the price the dealer paid the supplier for the inventory, less all applicable discounts allowed, plus the amount the dealer paid for freight costs from the supplier's location to the dealer's location. In the event of termination of a dealer agreement by the supplier, "net cost" shall include the reasonable cost of assembly or disassembly performed by a dealer.

(6) "Supplier" means a wholesaler, manufacturer, or distributor of inventory ~~as defined in this chapter~~ who enters into a dealer agreement with a dealer.

(7) "Termination" of a dealer agreement means the cancellation, nonrenewal, or noncontinuance of the agreement.

§ 4072. ~~NOTICE OF TERMINATION OF DEALER AGREEMENTS~~

~~(a) Notwithstanding any agreement to the contrary, prior to the termination of a dealer agreement, a supplier shall notify the dealer of the termination not less than 120 days prior to the effective date of the termination. No supplier may terminate, cancel, or fail to renew a dealership agreement without cause. "Cause" means failure by an equipment dealer to comply with the requirements imposed upon the equipment dealer by the dealer agreement,~~

~~provided the requirements are not substantially different from those requirements imposed upon other similarly situated equipment dealers in this State.~~

~~(b) The supplier may immediately terminate the agreement at any time upon the occurrence of any of the following events which in addition to the above definition of cause, are also cause for termination, cancellation, or failure to renew a dealership agreement:~~

~~(1) the filing of a petition for bankruptcy or for receivership either by or against the dealer;~~

~~(2) the making by the dealer of an intentional and material misrepresentation as to the dealer's financial status;~~

~~(3) any default by the dealer under a chattel mortgage or other security agreement between the dealer and the supplier;~~

~~(4) the commencement of voluntary or involuntary dissolution or liquidation of the dealer if the dealer is a partnership or corporation;~~

~~(5) a change or additions in location of the dealer's place of business as provided in the agreement without the prior written approval of the supplier; or~~

~~(6) withdrawal of an individual proprietor, partner, major shareholder, the involuntary termination of the manager of the dealership, or a substantial reduction in the interest of a partner or major shareholder without the prior written consent of the supplier.~~

~~(c) Unless there is an agreement to the contrary, a dealer who intends to terminate a dealer agreement with a supplier shall notify the supplier of that intent not less than 120 days prior to the effective date of termination.~~

~~(d) Notification required by this section shall be in writing and shall be made by certified mail or by personal delivery and shall contain:~~

~~(1) a statement of intention to terminate the dealer agreement;~~

~~(2) a statement of the reasons for the termination; and~~

~~(3) the date on which the termination shall be effective.~~

TERMINATION OF DEALER AGREEMENT

(a) Requirements for notice.

(1) A person shall provide a notice required in this section by certified mail or by personal delivery.

(2) A notice shall be in writing and shall include:

(A) a statement of intent to terminate the dealer agreement;

(B) a statement of the reasons for the termination, including specific reference to one or more requirements of the dealer agreement that serve as the basis for termination, if applicable; and

(C) the effective date of termination.

(b) Termination by a supplier for cause.

(1) In this subsection, "cause" means the failure of a dealer to meet one or more requirements of a dealer agreement, provided that the requirement is reasonable, justifiable, and substantially the same as requirements imposed on similarly situated dealers in this State.

(2) A supplier shall not terminate a dealer agreement except for cause.

(3) To terminate a dealer agreement for cause, a supplier shall deliver a notice of termination to the dealer at least 120 days before the effective date of termination.

(4) A dealer has 60 days from the date it receives a notice of termination to meet the requirements of the dealer agreement specified in the notice.

(5) If a dealer meets the requirements of the dealer agreement specified in the notice within the 60-day period, the dealer agreement does not terminate pursuant to the notice of termination.

(c) Termination by a supplier for failure to meet reasonable marketing or market penetration requirements.

(1) Notwithstanding subsection (b) of this section, a supplier shall not terminate a dealer agreement for failure to meet reasonable marketing or market penetration requirements except as provided in this subsection.

(2) A supplier shall deliver an initial notice of termination to the dealer at least 18 months before the effective date of termination.

(3) After providing an initial notice, the supplier shall work with the dealer in good faith to meet the reasonable marketing or market penetration requirements specified in the notice, including reasonable efforts to provide the dealer with adequate inventory and competitive marketing programs.

(4) If the dealer fails to meet reasonable marketing or market penetration requirements specified in the notice by the end of the 18-month period, the supplier may terminate the dealer agreement by providing a final notice of termination.

(5) A dealer has 90 days from the date it receives a final notice of termination to meet the reasonable marketing or market penetration requirements specified in the notice.

(6) If a dealer meets the reasonable marketing or market penetration requirements specified in the notice within the 90-day period, the dealer agreement does not terminate pursuant to the final notice of termination.

(d) Termination by a supplier upon a specified event. A supplier may terminate a dealer agreement if one of the following events occurs:

(1) A person files a petition for bankruptcy or for receivership on behalf of or against the dealer.

(2) The dealer makes an intentional and material misrepresentation regarding his or her financial status.

(3) The dealer defaults on a chattel mortgage or other security agreement between the dealer and the supplier.

(4) A person commences the voluntary or involuntary dissolution or liquidation of a dealer organized as a business entity.

(5) Without the prior written consent of the supplier:

(A) The dealer changes the business location specified in the dealer agreement or adds an additional dealership of the supplier's same brand.

(B) An individual proprietor, partner, or major shareholder withdraws from, or substantially reduces his or her interest in, the dealer.

(C) The dealer terminates a manager of the dealer.

(e) Termination by a dealer. Unless a provision of a dealer agreement provides otherwise, a dealer may terminate the dealer agreement by providing a notice of termination to the supplier at least 120 days before the effective date of termination.

* * *

§ 4074. REPURCHASE TERMS

(a)(1) Within 90 days from receipt of the written request of the dealer, a supplier under the duty to repurchase inventory pursuant to section 4073 of this title may examine any books or records of the dealer to verify the eligibility of any item for repurchase.

(2) Except as otherwise provided in this chapter, the supplier shall repurchase from the dealer the following items that the dealer previously purchased from the supplier, or other qualified vendor approved by the supplier, that are in the possession of the dealer on the date of termination of the dealer agreement:

(A) ~~all~~ inventory ~~previously purchased from the supplier in possession of the dealer on the date of termination of the dealer agreement~~; and

(B) required signage, special tools, books, manuals, supplies, data processing equipment, and software ~~previously purchased from the supplier or other qualified vendor approved by the supplier in the possession of the dealer on the date of termination of the dealer agreement~~.

(b) The supplier shall pay the dealer:

(1) 100 percent of the net cost of all new and undamaged and complete ~~farm and utility tractors, utility equipment, forestry equipment, industrial equipment, farm implements, farm machinery, yard and garden equipment, attachments, and accessories~~ inventory, other than repair parts, purchased from the supplier within the 30-month period preceding the date of termination, less a reasonable allowance for deterioration attributable to weather conditions at the dealer's location.

(2) 90 percent of the current net prices of all new and undamaged repair parts.

(3) 85 percent of the current net prices of all new and undamaged superseded repair parts.

(4) 85 percent of the latest available published net price of all new and undamaged noncurrent repair parts.

(5) Either the fair market value, or assume the lease responsibilities of any specific data processing hardware that the supplier required the dealer to purchase to satisfy the reasonable requirements of the dealer agreement, including computer systems equipment and software required and approved by the supplier to communicate with the supplier.

(6) ~~Repurchase at~~ 75 percent of the net cost of specialized repair tools, signage, books, and supplies previously purchased, pursuant to requirements of the supplier and held by the dealer on the date of termination. Specialized repair tools must be unique to the supplier's product line, must be no more than 10 years old, and must be complete and in usable condition.

(7) ~~Repurchase at average~~ Average as-is value shown in current industry guides~~,~~ for dealer-owned rental fleet financed by the supplier or its finance subsidiary, provided the equipment was purchased from the supplier within 30 months of the date of termination.

(c) The party that initiates the termination of the dealer agreement shall pay the cost of the return, handling, packing, and loading of the inventory. If the termination is initiated by the supplier, the supplier shall reimburse the dealer five percent of the net parts return credited to the dealer as compensation for picking, handling, packing, and shipping the parts returned to the supplier.

(d) Payment to the dealer required under this section shall be made by the supplier not later than 45 days after receipt of the inventory by the supplier. A penalty shall be assessed in the amount of daily interest at the current New York prime rate plus three percent of any outstanding balance over the required 45 days. The supplier shall be entitled to apply any payment required under this section to be made to the dealer as a setoff against any amount owed by the dealer to the supplier.

* * *

§ 4077a. PROHIBITED ACTS

~~No supplier shall:~~

~~(1) coerce any dealer to accept delivery of any equipment, parts, or accessories therefor, which such dealer has not voluntarily ordered, except that a supplier may require a dealer to accept delivery of equipment, parts or accessories that are necessary to maintain equipment generally sold in the dealer's area of responsibility, and a supplier may require a dealer to accept delivery of safety-related equipment, parts, or accessories pertinent to equipment generally sold in the dealer's area of responsibility;~~

~~(2) condition the sale of any equipment on a requirement that the dealer also purchase any other goods or services, but nothing contained in this chapter shall prevent the supplier from requiring the dealer to purchase all parts reasonably necessary to maintain the quality of operation in the field of any equipment used in the trade area;~~

~~(3) coerce any dealer into a refusal to purchase the equipment manufactured by another supplier; or~~

~~(4) discriminate in the prices charged for equipment of like grade and quality sold by the supplier to similarly situated dealers, but nothing contained in this chapter shall prevent differentials which make only due allowance for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such equipment is sold or delivered by the supplier.~~

(a) A supplier shall not coerce or attempt to coerce a dealer to accept delivery of inventory that the dealer has not voluntarily ordered, except inventory that is:

(1) necessary to maintain inventory generally sold in the dealer's area of responsibility; or

(2) safety-related and pertinent to inventory generally sold in the dealer's area of responsibility.

(b) A supplier shall not condition the sale of inventory on a requirement that the dealer also purchase any other goods or services, provided that a supplier may require a dealer to purchase parts reasonably necessary to maintain inventory used in the dealer's area of responsibility.

(c)(1) A supplier shall not prevent, coerce, or attempt to coerce a dealer from investing in, or entering into an agreement for the sale of, a competing product line or make of inventory.

(2) A supplier shall not require, coerce, or attempt to coerce a dealer to provide a separate facility or personnel for a competing product line or make of inventory.

(3) Subdivisions (1)–(2) of this subsection do not apply unless a dealer:

(A) maintains a reasonable line of credit for each product line or make of inventory;

(B) maintains the principal management of the dealer; and

(C) remains in substantial compliance with the supplier's reasonable facility requirements, which shall not include a requirement to provide a separate facility or personnel for a competing product line or make of inventory.

(d) A supplier shall not discriminate in the prices it charges for inventory of like grade and quality it sells to similarly situated dealers, provided that a supplier may use differentials that allow for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the supplier sells or delivers the inventory.

(e) A supplier shall not change the area of responsibility specified in a dealer agreement without good cause, which for purposes of this subsection includes changes in the dealer's vehicle or warranty registration pattern, demographics, and geographic barriers.

§ 4078. WARRANTY OBLIGATIONS

(a) A supplier shall:

(1) specify in writing a dealer's reasonable obligation to perform warranty service on the supplier's inventory;

(2) provide the dealer a schedule of reasonable compensation for warranty service, including amounts for diagnostic work, parts, labor, and the time allowance for the performance of warranty service; and

(3) compensate the dealer pursuant to the schedule of compensation for the warranty service the supplier requires it to perform.

(b) Time allowances for the diagnosis and performance of warranty service shall be reasonable and adequate for the service to be performed by a dealer that is equipped to complete the requirements of the warranty service.

(c) The hourly rate paid to a dealer shall not be less than the rate the dealer charges to customers for nonwarranty service.

(d) A supplier shall compensate a dealer for parts used to fulfill warranty and recall obligations of warranty service at a rate not less than the price the dealer actually paid the supplier for the parts plus 20 percent.

(e)(1) Whenever a supplier and a dealer enter into an agreement providing consumer warranties, the supplier shall pay any warranty claim made for warranty parts and service within 30 days after its receipt and approval.

(2) The supplier shall approve or disapprove a warranty claim within 30 days after its receipt.

(3) If a claim is not specifically disapproved in writing within 30 days after its receipt, it shall be deemed to be approved and payment shall be made by the supplier within 30 days after its receipt.

(f) A supplier violates this section if it:

(1) fails to perform its warranty obligations;

(2) fails to include in written notices of factory recalls to machinery owners and dealers the expected date by which necessary parts and equipment will be available to dealers for the correction of such defects; or

(3) fails to compensate a dealer for repairs required by a recall.

(g) A supplier shall not:

(1) impose an unreasonable requirement in the process a dealer must follow to file a warranty claim; or

(2) impose a surcharge or fee, or otherwise increase the prices or charges to a dealer, in order to recover the additional costs the supplier incurs from complying with the provisions of this section.

§ 4079. REMEDIES

(a) A person damaged as a result of a violation of this chapter may bring an action against the violator in a Vermont court of competent jurisdiction for damages, together with the actual costs of the action, including reasonable attorney's fees, injunctive relief against unlawful termination~~, cancellation, nonrenewal,~~ or substantial change of competitive circumstances, and such other relief as the Court deems appropriate.

(b) A provision in a dealer agreement that purports to deny access to the procedures, forums, or remedies provided by the laws of this State is void and unenforceable.

(c) ~~Nothing contained in this chapter may prohibit~~ Notwithstanding subsection (b) of this section, a dealer agreement may include a provision for binding arbitration of disputes ~~in an agreement~~. Any arbitration shall be consistent with the provisions of this chapter and 12 V.S.A. chapter 192, and the place of any arbitration shall be in the county in which the dealer's principal place of business is maintained in this State.

* * *

Sec. J.3. APPLICABILITY TO EXISTING DEALER AGREEMENTS

Notwithstanding 1 V.S.A. § 214, for a dealer agreement, as defined in 9 V.S.A. § 4071, that is in effect on or before July 1, 2016, the provisions of this act shall apply on July 1, 2017.

* * * Effective Dates * * *

Sec. K.1. EFFECTIVE DATES

(a) This section and Secs. G.1–G.3 (technical corrections) shall take effect on passage.

(b) The following sections shall take effect on July 1, 2016:

(1) Sec. A.1 (consumer litigation funding).

(2) Sec. B.1 (structured settlements agreements).

(3) Secs. C.1–C.12 (business registration; enforcement).

(4) Sec. D.1 (anti-trust penalties).

(5) Secs. E.1–E.2 (discount membership programs).

(6) Secs. F.1–F.2 (nonresidential home improvement fraud).

(7) Sec. H.1 (findings and purpose; internet dating services).

(8) Sec. I.1 (fantasy sports contests).

(9) Secs. J.1–J.3 (equipment and machinery dealers).

(c) In Sec. H.2 (internet dating services):

(1) 9 V.S.A. §§ 2482a, 2482c, and 2482d shall take effect on passage.

(2) 9 V.S.A. § 2482b shall take effect on January 1, 2017.

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

An act relating to consumer protection.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment with further proposal of amendment?, Senator Sears moved to amend the proposal of amendment of Senator Mullin as follows:

Fourth: By striking out Secs. F.1 and F.2 in their entirety and inserting in lieu thereof F.1 Reserved and F.2 Reserved and in the *Third* proposal of amendment recommended by Senator Mullin by striking out Sec K.1(b)(6) and inserting in lieu thereof (6) Reserved

Which was agreed to.

Thereupon, the question, Shall the Senate concur with the House proposal of amendment to the Senate proposal of amendment with further amendment,? was agreed to.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 824.

House bill entitled:

An act relating to the adoption of occupational safety and health rules and standards.

Was taken up.

Thereupon, pending third reading of the bill, Senators Balint, Baruth, Cummings, Doyle, and Mullin moved to amend the Senate proposal of amendment in Sec. 1, 21 V.S.A. § 204, by striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. [Deleted.]

Which was agreed to.

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

Proposal of Amendment; Substitute Proposal of Amendment; Third Reading Ordered

H. 261.

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

An act relating to criminal record inquiries by an employer.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 21 V.S.A. § 495j, by striking out subdivision (b)(1)(B) and inserting a new subdivision (b)(1)(B) in lieu thereof to read as follows:

(B) the employer or an affiliate of the employer is subject to a federal or State law or regulation that restricts its ability to employ individuals, in either one or more positions, who have been convicted of one or more types of criminal offenses; and

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 pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Economic Development Housing and General Affairs?, Senator Mullin, moved to substitute the report of the Committee on Economic Development, Housing and General Affairs as follows:

In Sec. 1, 21 V.S.A. § 495j, in subsection (b), by striking out the subsection in its entirety and inserting a new subsection (b) to read as follows:

(b)(1) An employer may inquire about criminal convictions on an initial employee application form if the following conditions are met:

(A)(i) the prospective employee is applying for a position for which any federal or State law or regulation creates a mandatory or presumptive disqualification based on a conviction for one or more types of criminal offenses; or

(ii) the employer or an affiliate of the employer is subject to an obligation imposed by any federal or State law or regulation not to employ an individual, in either one or more positions, who has been convicted of one or more types of criminal offenses; and

(B) the questions on the application form are limited to the types of criminal offenses creating the disqualification or obligation.

(2) An employer shall be permitted to inquire about criminal convictions on an initial employee application form pursuant to subdivision (1) of this subsection even if the federal or State law or regulation creating an obligation for the employer or its affiliate not to employ an individual who has been convicted of one or more types of criminal offenses also permits the employer or its affiliate to obtain a waiver that would allow the employer or its affiliate to employ such an individual.

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

Which was agreed to.

Thereupon, the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Economic Development, Housing and General Affairs, as substituted?, was agreed to.

Thereupon, third reading of the bill was ordered.

Bill Passed

S. 242.

Senate bill of the following title was read the third time and passed:

An act relating to the service of civil process by a constable.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 135. An act relating to authorizing the Vermont Department of Health to charge fees necessary to support Vermont's status as a Nuclear Regulatory Commission Agreement State.

H. 539. An act relating to establishment of a Pollinator Protection Committee.

H. 674. An act relating to public notice of wastewater discharges.

H. 765. An act relating to technical corrections.

H. 778. An act relating to State enforcement of the federal Food Safety Modernization Act.

Third Reading Ordered

H. 864.

Senator MacDonald, for the Committee on Finance, to which was referred House bill entitled:

An act relating to agricultural exemption from Vermont's sales and use tax.

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.

House Proposal of Amendment Concurred In

S. 171.

House proposal of amendment to Senate bill entitled:

An act relating to eligibility for pretrial risk assessment and needs screening.

Was taken up.

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

In Sec. 1, 13 V.S.A. § 7554c, in subdivision (d)(2), by striking out the following: "voluntarily agreed to participate in a risk assessment or needs screening post-arraignment" and inserting in lieu thereof the following: completed a risk assessment or needs screening

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Message from the House No. 51

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 870. An act relating to telecommunications.

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

The House has considered a bill originating in the Senate of the following title:

S. 190. An act relating to maintaining prescription drugs outside the original prescription container.

And has passed the same in concurrence.

The House has adopted joint resolution of the following title:

J.R.H. 26. Joint resolution relating to the amendment of the federal Toxic Substances Control Act and its preemption provisions.

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. 51. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

The House has considered Senate proposals of amendment to the following House bills:

H. 458. An act relating to automatic voter registration through motor vehicle driver's license applications.

H. 517. An act relating to the classification of State waters.

And has severally concurred therein.

Adjournment

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

FRIDAY, APRIL 15, 2016

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

Devotional exercises were conducted by the Reverend Thomas Hardy of Bethel.

Message from the House No. 52

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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 the following House bill:

H. 530. An act relating to categorization of State contracts for service.

And has severally concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 330. House concurrent resolution congratulating the Boys & Girls Clubs of America 2016 Vermont State Youth of the Year honorees.

H.C.R. 331. House concurrent resolution congratulating Caleb Davidson, an outstanding 2015–2016 Vermont indoor track and field athlete from Thetford Academy.

H.C.R. 332. House concurrent resolution congratulating the 2016 Mt. Mansfield Union High School Cougars Division II championship girls' ice hockey team.

H.C.R. 333. House concurrent resolution congratulating Boston Post Dairy of Enosburg Falls on winning a third-place award at the 2016 World Championship Cheese Contest.

H.C.R. 334. House concurrent resolution honoring Lisa and Roy Haynes and the animal rescue work of SOS Save Our Strays.

H.C.R. 335. House concurrent resolution honoring Albert J. Marro on his career accomplishments at the *Rutland Herald*.

H.C.R. 336. House concurrent resolution congratulating the 2016 Mount St. Joseph Academy Lady Mounties Division IV championship girls' basketball team.

H.C.R. 337. House concurrent resolution congratulating Connor Duncan, Grace Moriath, and Ayrin Southworth of Northfield, and Jasmine Wells of Barre on their selection as participants in the High School Honors Performance Series at Carnegie Hall.

H.C.R. 338. House concurrent resolution designating April 12, 2016 as Equal Pay Day in Vermont.

H.C.R. 339. House concurrent resolution congratulating the broadcasting duo Bruce and Hobbes on the publication and promotion of their anti-bullying and domestic violence prevention book, *Hobbes Goes Home*.

H.C.R. 340. House concurrent resolution honoring William Sugarman for his leadership as a devoted teacher, college faculty member, and education administrator.

H.C.R. 341. House concurrent resolution designating April 2016 as Autism Awareness and Appreciation Month.

H.C.R. 342. House concurrent resolution congratulating Elijah Pianka on winning the 2016 Division II high jump championship and on representing Vermont at the New England Championships in Boston, Massachusetts .

H.C.R. 343. House concurrent resolution in memory of Green Mountain Boys State Board of Directors member Dean R. Burgess Sr..

H.C.R. 344. House concurrent resolution in memory of outstanding high school athletics coach and Green Mountain Boys State leader Michael John Callanan.

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. 42. Senate concurrent resolution honoring the Vermont Victim Assistance Program on its 30th anniversary and celebrating National Crime Victims' Rights Week.

And has adopted the same in concurrence.

Bill Referred

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

H. 870. An act relating to telecommunications.

To the Committee on Rules pursuant to Temporary Rule 44A.

Bill Referred

House bill of the following title:

H. 868. An act relating to miscellaneous economic development provisions.

Was taken up and pursuant to Temporary Rule 44A was referred to the Committee on Economic Development, Housing and General Affairs.

Joint Resolution Referred

J.R.H. 26.

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

Joint resolution relating to the amendment of the federal Toxic Substances Control Act and its preemption provisions.

Whereas, more than 84,000 chemicals are registered with the Environmental Protection Agency (EPA) for use in the United States, and each year approximately 1,000 chemicals are added to the list, and

Whereas, more than 90 percent of chemicals in commercial use have not been fully tested for potential impacts on human health or the environment, and

Whereas, since Congress's passage in 1976 of the Toxic Substances Control Act, Pub.L. 94-469 (TSCA), approximately 200 chemicals have been fully tested since passage, just five chemicals have been banned or restricted, and no chemicals have been banned in more than 20 years, and

Whereas, biomonitoring studies show that a wide range of chemicals is bioaccumulating in the bodies of Vermonters, and

Whereas, scientific studies demonstrate clear links between certain chemicals and adverse health effects, and

Whereas, the threat of adverse health effects is especially high for certain vulnerable populations such as children or pregnant women, and for these groups, safe exposure levels are much lower, and

Whereas, annually, more than $2 billion are spent on the medical costs associated with detecting cancer, asthma, and neurobehavioral disorders directly associated with toxic chemicals, and

Whereas, the recent discovery that the chemical perfluorooctanoic acid (PFOA) is contaminating drinking water sources in multiple Vermont locations illustrates the need for legal authority that more effectively regulates toxic chemicals, and

Whereas, the use of PFOA is not regulated and significant health risks to Vermonters exist as a result of pollution from factories closed more than a decade ago, and

Whereas, Vermonters and most other Americans continue to be exposed to PFOA and other perfluorinated chemicals from other sources, including through exposure from products containing the chemicals imported into the United States, and

Whereas, Congress is considering Toxic Substances Control Act (TSCA) reform in two pieces of pending legislation, S.697, The Frank R. Lautenberg Chemical Safety for the 21st Century Act, and H.R. 2576, The TSCA Modernization Act of 2015, and

Whereas, there is broad consensus across industry, environmental, health, science, and government parties that comprehensive reform of the TSCA is necessary to help better ensure consistent, effective, and scientifically grounded regulation of chemicals, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges Congress to pass comprehensive TSCA reform legislation to strengthen and clarify the U.S. Environmental Protection Agency's (EPA) regulation of toxic chemicals, and be it further

Resolved: That the amended TSCA should include a safety standard that identifies and protects vulnerable populations, including potentially exposed workers, children, pregnant women, and those with compromised immune systems, and be it further

Resolved: That before new chemicals are introduced into commerce, the TSCA should be amended to include a requirement that industry include sufficient test data, when it submits premanufacture notices, in order that the EPA can determine if the chemicals meet the safety standard, and be it further

Resolved: That an amended TSCA provide clear timelines for starting and completing safety assessments on chemicals that are proposed for introduction into commerce or already in use in commerce, and for withdrawing from commerce chemicals found to be unsafe, and be it further

Resolved: That the EPA's current authority to require notice of potential new uses of perfluorinated chemicals and other chemicals of concern in products should not be altered or weakened in any way, and be it further

Resolved: That the EPA must receive the necessary financial resources and statutory mandate to initiate a reasonable number of reviews each year on existing chemicals of highest concern, including those already listed on the TSCA Work Plan for Chemical Assessment, and be it further

Resolved: That the states should not be preempted from taking action on a specific chemical until and only if the EPA has taken final action to regulate that chemical and that the scope of preemption should not be broader than the scope of the EPA's action, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to EPA Administrator Gina McCarthy 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 Passed in Concurrence with Proposal of Amendment

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

H. 261. An act relating to criminal record inquiries by an employer.

Bill Passed in Concurrence

H. 864.

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

An act relating to agricultural exemption from Vermont's sales and use tax.

Proposal of Amendment; Third Reading Ordered

H. 559.

Senator McCormack, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to an exemption from licensure for visiting team physicians.

Reported recommending that the Senate propose to the House to amend the bill by adding a new section to be Sec. 5 to read as follows:

Sec. 5. 26 V.S.A. § 1583 is amended to read:

§ 1583. EXEMPTIONS

This chapter does not prohibit:

* * *

(10) An advanced practice registered nurse who is duly licensed and in good standing in another state, territory, or jurisdiction of the United States or in Canada if the APRN is employed as or formally designated as the team APRN by an athletic team visiting Vermont for a specific sporting event and the APRN limits the practice of advanced practice registered nursing in this State to treatment of the members, coaches, and staff of the sports team employing or designating the APRN.

And by renumbering the existing Sec. 5, effective date, to be Sec. 6.

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; Consideration Postponed

H. 829.

Senator Sirotkin, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to water quality on small farms.

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. 6 V.S.A. § 4810a is amended to read:

§ 4810a. REQUIRED AGRICULTURAL PRACTICES; REVISION

(a) On or before ~~July 1, 2016~~ September 15, 2016, the Secretary of Agriculture, Food and Markets shall ~~amend by~~ file under 3 V.S.A. § 841 a final proposal of a rule amending the required agricultural practices in order to improve water quality in the State, assure practices on all farms eliminate adverse impacts to water quality, and implement the small farm certification program required by section 4871 of this title. At a minimum, the amendments to the required agricultural practices shall:

(1) Specify those farms that:

(A) are required to comply with the small farm certification requirements under section 4871 of this title due to the potential impact of the farm or type of farm on water quality as a result of livestock managed on the farm, agricultural inputs used by the farm, or tillage practices on the farm; and

(B) shall be subject to the required agricultural practices, but shall not be required to comply with small farm certification requirements under section 4871 of this title.

(2)(A) ~~Prohibit~~ Except as authorized under subdivision (C) of this subdivision, prohibit a farm from stacking or piling manure, storing fertilizer, or storing other nutrients on the farm:

(i) in a manner and location that presents a threat of discharge to a water of the State or presents a threat of contamination to groundwater; or

(ii) on lands in a floodway or otherwise subject to annual flooding.

(B) ~~In no case shall~~ Except as authorized under subdivision (C) of this subdivision, manure stacking or piling sites, fertilizer storage, or other nutrient storage shall not be located within 200 feet of a private well or within 200 feet of a water of the State~~, provided that~~.

(C) ~~the~~ The Secretary may authorize:

(i) siting of manure stacking or piling sites, fertilizer storage, or other nutrient storage within 200 feet, but not less than 100 feet, of a private well or surface water if the Secretary determines that ~~a manure stacking or piling site, fertilizer storage, or other nutrient storage will not have an adverse impact on groundwater quality or a surface water quality~~ the site is the best available site on the farm for the purposes of protecting groundwater quality or surface water quality;

(ii) siting of a waste storage facility within 200 feet of a surface water or private well if the site is the best available site on the farm for the purposes of protecting groundwater quality or surface water quality and the waste storage facility is designed by a licensed engineer to meet the requirements of section 4815 of this title.

* * *

(7) ~~Prohibit the construction or siting of a farm structure for the storage of manure, fertilizer, or pesticide storage within a floodway area identified on a National Flood Insurance Program Map on file with a town clerk~~. [Repealed.]

(8) Regulate, in a manner consistent with the Agency of Natural Resources' flood hazard area and river corridor rules, the construction or siting of a farm structure or the storage of manure, fertilizer, or pesticides within a river corridor designated by the Secretary of Natural Resources.

* * *

Sec. 2. 6 V.S.A. § 4871(b) is amended to read:

(b) Required small farm certification. Beginning on July 1, 2017, a person who owns or operates a small farm, as designated by the Secretary consistent with subdivision 4810a(a)(1) of this title, shall, on a form provided by the Secretary, certify compliance with the required agricultural practices. The Secretary of Agriculture, Food and Markets shall establish the requirements and manner of certification of compliance with the required agricultural practices, provided that the Secretary shall require an owner or operator of a farm to submit an annual certification of compliance with the required agricultural practices.

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.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Agriculture?, Senator Starr moved that consideration of the bill be postponed until Wednesday, April 20, 2016, which was agreed to.

Proposal of Amendment; Third Reading Ordered

H. 845.

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

An act relating to legislative review of certain report requirements.

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:

* * * Amendment to 2 V.S.A. § 20(d) Language * * *

Sec. 1. 2 V.S.A. § 20(d) is amended to read:

(d) ~~Unless~~ It is the intent of the General Assembly that, except for reports required by interstate compacts and except as otherwise provided by law, whenever an agency is required by law to submit an annual, biennial, or other periodic report to the General Assembly, that requirement shall no longer be required after five years or after five years from ~~July 1, 2009~~ the last date that the statutory or session law section containing the report was amended, whichever date is later. ~~The~~ In each biennial session, the Legislative Council~~, pursuant to section 424 of this title, may revise the Vermont Statutes Annotated accordingly~~ shall prepare for the General Assembly's review a list

of the reports subject to this subsection. A report requirement shall only expire pursuant to legislative enactment.

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

Sec. 2. 7 V.S.A. § 1007 is amended to read:

§ 1007. FURNISHING TOBACCO TO PERSONS UNDER 18 YEARS OF AGE; REPORT

(a) An individual who sells or furnishes tobacco products, tobacco substitutes, or tobacco paraphernalia to a person under 18 years of age shall be subject to a civil penalty of not more than $100.00 for the first offense and not more than $500.00 for any subsequent offense. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours of the occurrence of the alleged violation.

(b)(1) The Department of Liquor Control shall conduct or contract for compliance tests of tobacco licensees as frequently and as comprehensively as necessary to ensure consistent statewide compliance with the prohibition on sales to minors of at least 90 percent for buyers 17 years of age. An individual under 18 years of age participating in a compliance test shall not be in violation of 7 V.S.A. § 1005.

(2) Any violation by a tobacco licensee of subsection 1003(a) of this title and this section after a first sale violation or during a compliance test conducted within six months of a previous violation shall be considered a multiple violation and shall result in the minimum license suspension in addition to any other penalties available under this title. Minimum license suspensions for multiple violations shall be assessed as follows:

(A) Two violations	one weekday;
(B) Three violations	two weekdays;
(C) Four violations	three weekdays;
(D) Five violations	three weekend days, Friday through Sunday.

(3) The Department shall report to the House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the Tobacco Evaluation and Review Board annually, on or before January 15, the methodology and results of compliance tests conducted during the previous year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subsection.

Sec. 3. 9 V.S.A. § 4553(b) is amended to read:

(b) The Human Rights Commission shall forward, on or before January 1 of each year, to the Speaker of the House and the President of the Senate an annual report on the status of Commission program operations, the number and type of calls received, complaints filed and investigated, closure of litigated and nonlitigated complaints, public educational activities undertaken, and recommendations for improved human rights advocacy and activities. 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. 4. 16 App. V.S.A. chapter 1, § 1-8 is amended to read:

§ 1-8. LEGISLATIVE REPORTS; BOARD OF VISITORS

The corporation hereby created shall make annual reports to the Legislature of this State, of its condition, financially and otherwise, and make and distribute the reports required by the act of Congress, herein referred to, and the Legislature may annually appoint a Board of Visitors, who may annually examine the affairs of the corporation. 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. 5. 24 V.S.A. § 290b(d) is amended to read:

(d) Annually, each sheriff shall furnish the Auditor of Accounts on forms provided by the Auditor a financial report reflecting the financial transactions and condition of the sheriff's department. The sheriff shall submit a copy of this report to the assistant judges of the county. The assistant judges shall prepare a report reflecting funds disbursed by the county in support of the sheriff's department and forward a copy of their report to the Auditor of Accounts. The Auditor of Accounts shall compile the reports and submit one report to the House and Senate Committees on Judiciary. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subsection.

Sec. 6. 32 V.S.A. § 182(a) is amended to read:

(a) In addition to the duties expressly set forth elsewhere by law, the Commissioner of Finance and Management shall:

(1) Prescribe appropriate systems for all State departments and agencies to use in accounting and each department and agency shall keep their accounts in accordance with a system prescribed by the Commissioner. The Commissioner may review and examine any accounting system to determine its compliance with the prescribed system~~;~~.

(2) Maintain a system of central accounting of income and disbursement so as to enable fiscal officers of the ~~state~~ State at any time to provide an evaluation and analysis of the status of ~~state~~ State finances~~;~~.

(3) Coordinate the fiscal procedures of the State, including all departments, institutions, and agencies with the controlling accounts kept under this section~~;~~.

(4) Maintain a system of encumbrance accounting to control expenditures within budget appropriations~~;~~.

(5) In the Commissioner's discretion, pre-audit receipts, expenditures, and encumbrances~~;~~.

(6) Draw warrants on the Treasurer for all valid and legal payroll disbursements certified by voucher~~;~~.

(7) Draw warrants on the Treasurer for all disbursements~~;~~.

(8) Prepare monthly revenue reports for the Governor, Secretary of Administration, and other officials and for release to the general public, and a comprehensive annual financial report in accordance with generally accepted accounting principles which shall be distributed to the Chairs of the House Committees on Appropriations, on Corrections and Institutions, and on Ways and Means and to the Senate Committees on Appropriations, on Finance, and on Institutions on or before December 31 of each year~~;~~. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subdivision.

(9) Make available monthly reports of appropriations, expenditures, encumbrances, and balances for all operating departments~~;~~.

(10) Maintain a standard chart of accounts structure pertaining to appropriation, revenue, and expenditure codes~~;~~.

(11) ~~[Deleted.]~~ [Repealed.]

(12) Exercise central management of the appropriation act~~;~~.

(13) Maintain the general control ledger of State accounts~~;~~.

* * *

Sec. 7. 32 V.S.A. § 434(a)(5) is amended to read:

(5) Annually, the Treasurer shall prepare a report to the House Committee on Ways and Means and the Senate Committee on Finance on the financial activity of the Trust Investment Account. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subdivision.

Sec. 8. 32 V.S.A. § 3205(c) is amended to read:

(c) The Taxpayer Advocate shall prepare an annual report detailing the actions the Taxpayer Advocate has taken to improve taxpayer services and the responsiveness of the Department of Taxes. The report shall identify the problems encountered by taxpayers in interacting with the Department of Taxes and include specific recommendations for administrative and legislative actions to resolve those problems. The report shall identify any problems that span an entire class of taxpayer or specific industry, and propose class- or industry-wide solutions. The report of the Taxpayer Advocate shall be submitted to the Senate Committee on Finance and the House Committee on Ways and Means ~~no later than~~ on or before January ~~15th~~ 15 of each year. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subsection.

Sec. 9. 33 V.S.A. § 2115 is added to read:

§ 2115. GENERAL ASSISTANCE PROGRAM REPORT

On or before of January 15 of each year, the Commissioner for Children and Families shall submit a written report to the House Committees on Appropriations, on General, Housing and Military Affairs and on Human Services and the Senate Committees on Appropriations and on Health and Welfare containing:

(1) an evaluation of the General Assistance program during the previous fiscal year;

(2) any recommendations for changes to the program; and

(3) a plan for continued implementation of the program.

Sec. 10. 2012 Acts and Resolves No. 162, Sec. E.321(b) is amended to read:

(b) The program may operate in up to 12 districts designated by the ~~secretary of human services~~ Secretary of Human Services. This program will be budget neutral. For each district in which the ~~agency~~ Agency operates the program, it shall establish procedures for evaluating the pilot and its effects. The ~~agency~~ Agency shall report annually to the ~~general assembly~~ General Assembly on its findings from the programs, its recommendations for changes in the general assistance program, and a plan for further implementation of the program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the required report to be made under this subsection.

* * * Report Requirements Repealed * * *

Sec. 11. 18 V.S.A. § 1553(c) is amended to read:

(c) ~~On or before January 15 of each year, the commissioner of health shall submit a report to the house committees on health care and on human services~~

~~and the senate committee on health and welfare containing at least the following information:~~

~~(1) a description of the adverse events reviewed by the panel during the preceding 12 months, including statistics and causes;~~

~~(2) corrective action plans to address, in the aggregate, such adverse events; and~~

~~(3) recommendations for system changes and legislation relating to the delivery of health care in Vermont.~~ [Repealed.]

Sec. 12. 18 V.S.A. § 4632(a)(5) and (6) is amended to read:

(5) ~~The office of the attorney general shall report annually on the disclosures made under this section to the general assembly and the governor on or before October 1. The report shall include:~~

~~(A) Information on allowable expenditures and permitted gifts required to be disclosed under this section, which shall present information in aggregate form by selected types of health care providers or individual health care providers, as prioritized each year by the office; and showing the amounts expended on the Green Mountain Care board established in chapter 220 of this title. In accordance with subdivisions (1)(B), (1)(D), and (2)(A) of this subsection, information on samples and donations to free clinics of prescribed products and of over-the-counter drugs, nonprescription medical devices, items of nonprescription durable medical equipment, medical food, and infant formula shall be presented in aggregate form.~~

~~(B) Information on violations and enforcement actions brought pursuant to this section and section 4631a of this title.~~ [Repealed.]

(6) ~~After issuance of the report required by subdivision (5) of this subsection and except~~ Except as otherwise provided in subdivisions (1)(B) and (2)(A) of this subsection, the ~~office of the attorney general~~ Office of the Attorney General shall make all disclosed data ~~used for the report~~ publicly available and searchable through an Internet website.

Sec. 13. 32 V.S.A. § 5930z(g) is amended to read:

(g) ~~On a regular basis, the Department shall notify the House and Senate Committees on Natural Resources and Energy of solar energy tax credits claimed pursuant to this section, and the~~ The Board shall cause to be transferred from the Clean Energy Development Fund to the General Fund an amount equal to the amount of solar energy tax credits as and when the credits are claimed.

Sec. 14. 2000 Acts and Resolves No. 125, Sec. 2(b)(7) as amended by 2009 Acts and Resolves No. 33, Sec. 71 and 2012 Acts and Resolves No. 68, Sec. 3 is further amended to read:

(7) ~~Report annually to the house and senate committees on education on the extent of indoor air and hazardous exposure problems in Vermont schools and on the percentage of Vermont schools that have established a school environmental health program or qualified for environmental health certification.~~ [Repealed.]

Sec. 15. 2011 Acts and Resolves No. 54, Sec. 5(e) is amended to read:

(e) ~~On or before January 15, 2012, and annually thereafter, the department 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 regarding the status of the relevant captive cervidae facility's compliance with:~~

~~(1) the requirements of this section; and~~

~~(2) the fish and wildlife board's rule governing the importation and possession of animals for taking by hunting.~~ [Repealed.]

* * * Reports Expiration Extension * * *

Sec. 16. REPORT REPEAL DELAYED

The reports set forth in this section shall not be subject to review under the provisions of 2 V.S.A. § 20(d) (expiration of required reports) until July 1, 2020:

(1) 10 V.S.A. §§ 21(b)(2) (report on the condition of the EB-5 Special Fund), 1978(e)(3) (Technical Advisory Committee report on potable water supply and wastewater systems), 2609a (income from sites used for communication purposes), and 6604(b) (Agency of Natural Resources recommendations regarding solid waste management);

(2) 13 V.S.A. § 5256 (Defender General summarized activities);

(3) 18 V.S.A. §§ 4474j(b) (Marijuana for Symptom Relief Oversight Committee annual report) and 9375a(b)(4) (final projections for three-year projection of health care expenditures);

(4) 28 V.S.A. § 104(e) (Commissioner of Corrections notification of release of offenders);

(5) 29 V.S.A. §§ 155(c) (deposits and disbursements from Historic Property Stabilization and Rehabilitation Special Fund) and 160(e) (condition of Property Management Revolving Fund); and

(6) 1999 Acts and Resolves No. 49, Sec. 96, as amended by 2012 Acts and Resolves No. 139, Sec. 39 (economic advancement tax incentives awarded under 32 V.S.A. chapter 151, subchapter 11E); 2005 Acts and Resolves No. 56, Sec. 1(b)(2)(B), as amended by 2007 Acts and Resolves No. 65, Sec. 112a (utilization of services and expenses under Choices for Care); 2010 Acts and Resolves No. 110, Sec. 8 (status of river corridor, shoreland, and buffer zoning within Vermont); 2010 Acts and Resolves No. 161, Sec. 20, as amended by 2012 Acts and Resolves 139, Sec. 49 (status of improvements funded by State capital appropriations); 2011 Acts and Resolves No. 59, Sec. 15 (contested cases involving Public Records Act); 2011 Acts and Resolves No. 63, Sec. E.321.1(a), as amended by 2012 Acts and Resolves No. 139, Sec. 50 (outcomes and measures for Emergency Shelter grants); and 2012 Acts and Resolves No. 113, Sec. 3 (report on Genuine Progress Indicator).

* * * Technical Amendments * * *

Sec. 17. 2 V.S.A. § 263(j) is amended to read:

(j) The 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~~ On or before March 15 of the first year of each legislative biennium, the 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. 18. 2 V.S.A. § 404(b)(6) is amended to read:

(6) Except when the 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 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. 19. 3 V.S.A. § 847(b) is amended to read:

(b) The 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. 20. 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 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 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. 21. 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 shall report to the 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 may discharge its obligation under ~~section 34 of~~ Chapter II § 34 of the Constitution of the State of Vermont. ~~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. 22. 10 V.S.A. § 6503(a) is amended to read:

(a) The Committee shall report to the 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. 23. 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 (9) of this section, number and types of complaints of harassment, hazing, or bullying made pursuant to chapter 9, subchapter 5 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 Secretary shall use the information in the report to determine 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. 24. 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 career 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. 25. 16 V.S.A. § 2967(a) is amended to read:

(a) On or before December 15, the Secretary 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 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. 26. 16 V.S.A. § 3862 is amended to read:

§ 3862. REPORTS

~~Notwithstanding the provisions of 2 V.S.A. § 20(d), the~~ The Vermont Education and Health Buildings Finance Agency shall prepare and annually submit to the Governor a complete report listing all projects applied for, planned, in progress, and completed, and a complete financial report duly audited and certified by a certified public accountant.

Sec. 27. 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~~ on or before July 1 which shall conform to procedural and substantive requirements to be established by the Board of Governors and which, upon approval by the 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. 28. 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. 29. 26 V.S.A. § 3105(d) is amended to read:

(d) Prior to review under this chapter and consideration by the General Assembly of any bill to regulate a profession or occupation, the 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 shall report its preliminary assessment to the appropriate 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. 30. 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. 31. 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 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. 32. 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. 33. 32 V.S.A. § 704(i) is amended to read:

(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.~~ [Repealed.]

Sec. 34. 32 V.S.A. § 3101(b)(11) is amended to read:

(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.~~

Sec. 35. 2009 Acts and Resolves No. 43, Sec. 49 as amended by 2014 Acts and Resolves No. 142, Sec. 76 is further amended to read:

Sec. 49. CLOSING OF CORRECTIONAL FACILITIES; APPROVAL

The 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 Legislative Justice Oversight Committee and the 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. 36. 2014 Acts and Resolves No. 142, Sec. 112 as amended by 2015 Acts and Resolves No. 23, Sec. 65 is further amended to read:

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:

* * *

(4) 10 V.S.A. §§ 291 (Entrepreneurs' ~~seed capital fund~~ Seed Capital Fund report), 323 (Vermont Housing ~~And~~ and Conservation Trust Fund

report), 329 (The Sustainable Jobs Fund Program report), 580(b) (25 by 25 ~~state goal~~ State Goal report), 685(g) (Vermont Community Development Board report), 1196 (Connecticut River Watershed Advisory Commission report), 1942 (Underground Storage Tank Assistance Program report), and 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)~~.

* * *

(6) 18 V.S.A. §§ 1756 (lead poisoning report), 7402 (Commissioner of Mental Health report), 9505(9) (Vermont Tobacco Evaluation and Review Board ~~conflict of interest policy report~~ recommendations), and 9507(a) (Vermont Tobacco Evaluation and Review Board report).

* * *

* * * Repeal * * *

Sec. 37. REPEAL

The following are repealed:

(1) 1997 Acts and Resolves No. 58, Sec. 13 (tobacco sales to minors compliance testing);

(2) 2012 Acts and Resolves No. 143, Sec. 40 (calculation of dollar equivalent); and

(3) 2014 Acts and Resolves No. 142, Sec. 113 (Legislative Council report repeal authority).

* * * Effective Date * * *

Sec. 38. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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.

Consideration Postponed

Senate resolution entitled:

S.R. 12.

Senate resolution amending the permanent rules of the Senate.

Was taken up.

Thereupon, pending the question Shall the Senate resolution be adopted?, Senator Baruth moved that consideration of the Senate resolution be postponed until Tuesday, April 19, 2016, at 9:30 A.M. which was agreed to.

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointment was confirmed by the Senate, without a report given by the Committee to which it was referred and without debate:

Flanagan, Edward of Montpelier - Member, Vermont State Lottery Commission - March 1, 2016, to February 28, 2019.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

Carlson, Thomas of Hinesburg - Superior Judge - September 18, 2015, to March 31, 2017.

Harris, Michael J. of Williston - Superior Judge - March 11, 2016, to February 28, 2022.

Pacht, John of Hinesburg - Superior Judge - April 1, 2016, to February 28, 2022.

Valente, John of Rutland - Superior Judge - September 4, 2015, to March 31, 2020.

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 Senators Sears, Ashe, Benning, Nitka and White,

S.C.R. 42.

Senate concurrent resolution honoring the Vermont Victim Assistance Program on its 30th anniversary and celebrating National Crime Victims' Rights Week.

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 Pugh and others,

H.C.R. 330.

House concurrent resolution congratulating the Boys & Girls Clubs of America 2016 Vermont State Youth of the Year honorees.

By Representatives Briglin and Masland,

H.C.R. 331.

House concurrent resolution congratulating Caleb Davidson, an outstanding 2015–2016 Vermont indoor track and field athlete from Thetford Academy.

By Representative O'Brien and others,

H.C.R. 332.

House concurrent resolution congratulating the 2016 Mt. Mansfield Union High School Cougars Division II championship girls' ice hockey team.

By Representatives Fiske and Pearce,

By Senator Degree,

H.C.R. 333.

House concurrent resolution congratulating Boston Post Dairy of Enosburg Falls on winning a third-place award at the 2016 World Championship Cheese Contest.

By Representatives Wood and Stevens,

H.C.R. 334.

House concurrent resolution honoring Lisa and Roy Haynes and the animal rescue work of SOS Save Our Strays.

By Representative Russell and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 335.

House concurrent resolution honoring Albert J. Marro on his career accomplishments at the *Rutland Herald*.

By Representative Russell and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 336.

House concurrent resolution congratulating the 2016 Mount St. Joseph Academy Lady Mounties Division IV championship girls' basketball team.

By Representative Donahue and others,

By Senators Cummings, Doyle and Pollina,

H.C.R. 337.

House concurrent resolution congratulating Connor Duncan, Grace Moriath, and Ayrin Southworth of Northfield, and Jasmine Wells of Barre on their selection as participants in the High School Honors Performance Series at Carnegie Hall.

By Representative Burke and others,

By Senators Bray, Ayer, Balint, Campbell, Campion, Collamore, Cummings, Degree, Doyle, MacDonald, McCormack, Nitka, Rodgers and Zuckerman,

H.C.R. 338.

House concurrent resolution designating April 12, 2016 as Equal Pay Day in Vermont.

By Representative Lanpher and others,

H.C.R. 339.

House concurrent resolution congratulating the broadcasting duo Bruce and Hobbes on the publication and promotion of their anti-bullying and domestic violence prevention book, *Hobbes Goes Home*.

By Representative French and others,

By Senators MacDonald and McCormack,

H.C.R. 340.

House concurrent resolution honoring William Sugarman for his leadership as a devoted teacher, college faculty member, and education administrator.

By All Members of the House,

By Senator Zuckerman,

H.C.R. 341.

House concurrent resolution designating April 2016 as Autism Awareness and Appreciation Month.

By Representative Forguites and others,

By Senators Campbell, McCormack and Nitka,

H.C.R. 342.

House concurrent resolution congratulating Elijah Pianka on winning the 2016 Division II high jump championship and on representing Vermont at the New England Championships in Boston, Massachusetts .

By Representative Burditt and others,

H.C.R. 343.

House concurrent resolution in memory of Green Mountain Boys State Board of Directors member Dean R. Burgess Sr..

By Representative Beck and others,

H.C.R. 344.

House concurrent resolution in memory of outstanding high school athletics coach and Green Mountain Boys State leader Michael John Callanan.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Tuesday, April 19, 2016, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 51.

TUESDAY, APRIL 19, 2016

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.

Bills Referred to Committee on Finance

House bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

H. 570. An act relating to hunting, fishing, and trapping.

H. 571. An act relating to driver's license suspensions, driving with a suspended license, and DUI penalties.

H. 868. An act relating to miscellaneous economic development provisions.

Bills Referred to Committee on Appropriations

House bills of the following titles, appearing on the Calendar for notice, and carrying an appropriation or requiring the expenditure of funds, under the rule were severally referred to the Committee on Appropriations:

H. 857. An act relating to timber harvesting.

H. 869. An act relating to judicial organization and operations.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 52.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senators Baruth and Benning,

J.R.S. 52. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 22, 2016, it be to meet again no later than Tuesday, April 26, 2016.

Bill Ordered to Lie

H. 74.

Senate bill entitled:

An act relating to safety protocols for social and mental health workers.

Was taken up.

Thereupon, pending the third reading of the bill, on motion of Senator Campbell, the bill was ordered to lie.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following title were severally read the third time and passed in concurrence with proposals of amendment:

H. 559. An act relating to an exemption from licensure for visiting team physicians.

H. 845. An act relating to legislative review of certain report requirements.

Third Reading Ordered

H. 399.

Senator Collamore, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to the Department for Children and Families' Registry Review Unit.

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.

Proposal of Amendment; Third Reading Ordered

H. 249.

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

An act relating to intermunicipal services..

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. 24 V.S.A. § 4345b is added to read:

§ 4345b. INTERMUNICIPAL SERVICE AGREEMENTS

(a)(1) Prior to exercising the authority granted under this section, a regional planning commission shall:

(A) draft bylaws specifying the process for entering into, method of withdrawal from, and method of terminating service agreements with municipalities; and

(B) hold one or more public hearings within the region to hear from interested parties and citizens regarding the draft bylaws.

(2) At least 30 days prior to any hearing required under this subsection, notice of the time and place and a copy of the draft bylaws, with a request for

comments, shall be delivered to the chair of the legislative body of each municipality within the region. The regional planning commission shall make copies available to any individual or organization requesting a copy.

(3) The regional planning commission may make revisions to the draft bylaws at any time prior to adoption of the bylaws. If revisions are made to the draft bylaws, the regional planning commission shall hold a final hearing and shall deliver notice as required in subdivision (2) of this subsection.

(b)(1) The draft bylaws required under subsection (a) of this section shall be adopted by a vote of at least 67 percent of the commissioners of the regional planning commission in accordance with the voting procedures of the regional planning commission.

(2) The draft bylaws shall be considered duly adopted and shall take effect 35 days after a vote required under this subsection, unless, within 35 days of the date of adoption, the regional planning commission receives certification from the legislative bodies of a majority of the municipalities in the region vetoing the proposed bylaws. In such case, the bylaws shall be deemed repealed.

(c) Upon adoption of the bylaws under subsection (b) of this section, a regional planning commission may:

(1) promote cooperative arrangements and coordinate, implement, and administer service agreements among municipalities, including arrangements and action with respect to planning, community development, joint purchasing, intermunicipal services, infrastructure, and related activities; and

(2) exercise any power, privilege, or authority, as defined within a service agreement under subsection (d) of this section, capable of exercise by a municipality as necessary or desirable for dealing with problems of local or regional concern.

(d)(1) In exercising the powers set forth in subsection (c) of this section, a regional planning commission shall enter into a service agreement with one or more municipalities.

(2) Participation by a municipality shall be voluntary and only valid upon appropriate action by the legislative body of the municipality. To become effective, a service agreement shall be ratified by the regional planning commission and the legislative bodies of the municipalities who are a party to the service agreement.

(3) A service agreement shall describe the services to be provided and the amount of funds payable by each municipality that is a party to the service agreement. Service of personnel, use of equipment and office space, and other

necessary services may be accepted from municipalities as part of their financial support.

(4) Any modification to a service agreement shall not become effective unless approved by the legislative body of the municipalities who are a party to the service agreement.

(e) A regional planning commission shall not have the following powers under this section:

(1) essential legislative functions;

(2) taxing authority; or

(3) eminent domain.

(f)(1) Funds provided for regional planning under section 4341a or 4346 of this chapter shall not be used to provide services under a service agreement without prior written authorization from the State agency or other entity providing the funds.

(2) A commission shall not use municipal funds or grants provided for regional planning services under this chapter to cover the costs of providing services under any service agreement under this section.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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. 297.

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

An act relating to the sale of ivory or rhinoceros horn.

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. 10 V.S.A. chapter 175 is added to read:

CHAPTER 175. IVORY AND RHINOCEROS HORN

§ 7701. SALE OF IVORY OR RHINOCEROS HORN

(a) Definitions. As used in this chapter:

(1) "Ivory" means any tusk composed of ivory from an elephant or mammoth, or any piece thereof, whether raw ivory or worked ivory, or made into, or part of, an ivory product.

(2) "Ivory product" means any item that contains, or is wholly or partially made from, any ivory.

(3) "Raw ivory" means any ivory the surface of which, polished or unpolished, is unaltered or minimally changed by carving.

(4) "Rhinoceros horn" means the horn, or any piece thereof, of any species of rhinoceros.

(5) "Rhinoceros horn product" means any item that contains, or is wholly or partially made from, any rhinoceros horn.

(6) "Total value of the ivory, ivory products, rhinoceros horn, and rhinoceros horn products" means the fair market value of the ivory, ivory products, rhinoceros horn, and rhinoceros horn products, or the actual price paid for the ivory, ivory products, rhinoceros horn, and rhinoceros horn products, whichever is greater.

(7) "Worked ivory" means ivory that has been embellished, carved, marked, or otherwise altered so that it can no longer be considered raw ivory.

(b) Prohibition. Except as authorized under subsections (c) and (f) of this section, a person in this State shall not import, sell, offer for sale, purchase, barter, or possess with intent to sell, any ivory, ivory product, rhinoceros horn, or rhinoceros horn product.

(c) Exceptions.

(1) The prohibitions of this section shall not apply to:

(A) Employees or agents of the federal government or the State undertaking any law enforcement activities pursuant to federal or State law or any mandatory duties required by federal or State law.

(B) The import of legally acquired ivory, ivory products, rhinoceros horn, or rhinoceros horn products:

(i) expressly authorized by federal law, license, or permit; or

(ii) as part of a personal or household move into the State.

(C) The sale of legally acquired ivory or ivory products provided that the item is accompanied by a sworn statement that complies with subsection (d) of this section.

(2) In connection with any action alleging violation of this section, any person claiming the benefit of any exception under this section shall have the burden of proving that the exception is applicable and was valid and in force at the time of the alleged violation.

(d) Ivory certification.

(1) In order to sell an ivory item or ivory product on or after July 1, 2017, a person shall certify the ivory or ivory product with a sworn statement as required by this subsection.

(2) A sworn statement under this subsection shall:

(A) include a statement, under pains and penalties of perjury, certifying ownership of the item and attesting that the ivory or ivory product has been legally acquired and its sale will not violate any federal or State law.

(B) include a detailed description of the item, the approximate age of the item, and a picture; and

(C) be notarized by a Vermont notary public prior to July 1, 2017.

(3)(A) A sworn statement under this subsection shall not certify multiple pieces of ivory or ivory products, unless the pieces, taken together, are part of a larger product and are to be sold together.

(B) A person shall not notarize his or her own sworn statement under this subsection.

(C) Upon sale of the ivory or ivory product, the sworn statement shall be transferred with the item to the new owner. A subsequent owner is authorized to sell the ivory or ivory product, if they maintain the original sworn statement required by this subsection.

(e) Presumption of intent to sell. The possession in this State of any ivory, ivory product, rhinoceros horn, or rhinoceros horn product in a retail or wholesale outlet commonly used for the buying or selling of similar products shall constitute presumptive evidence of possession with intent to sell under this section. Nothing in this subsection shall preclude a finding of intent to sell based on any evidence that may serve independently to establish intent to sell. The act of obtaining an appraisal of ivory, an ivory product, rhinoceros horn, or a rhinoceros horn product alone shall not constitute possession with intent to sell.

(f) Authorized conveyance to beneficiaries. A person may convey ivory, an ivory product, rhinoceros horn, or a rhinoceros horn product to the legal beneficiary of the ivory, ivory product, rhinoceros horn, or rhinoceros horn product that is part of an estate or other items being conveyed to lawful beneficiaries upon the death of the owner of the ivory, ivory product, rhinoceros horn, or rhinoceros horn product or in anticipation of that death.

(g) Enforcement; civil penalties.

(1) This section may be enforced by a law enforcement officer as defined in 20 V.S.A. § 2358.

(2) A person who violates this section commits a civil violation and shall be assessed a civil penalty as follows:

(A) For a first offense, $1,000.00 or an amount equal to two times the total value of the ivory, ivory products, rhinoceros horn, and rhinoceros horn products involved in the offense, whichever is greater.

(B) For a second or subsequent offense, $5,000.00 or an amount equal to two times the total value of the ivory, ivory products, rhinoceros horn, and rhinoceros horn products involved in the offense, whichever is greater.

(3) The penalties provided in this section shall be in addition to any penalty that may be imposed under federal law.

(h) Educational information. The Secretary of Natural Resources shall maintain on its website information regarding the prohibition of the sale and purchase of ivory and rhinoceros horns in this State.

Sec. 2. 4 V.S.A. § 1102(b) is amended to read:

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

* * *

(27) Violations of 10 V.S.A. § 7701, relating to the sale or import of ivory or rhinoceros horn.

Sec. 3. REPORT ON IVORY AND RHINOCEROS HORN PROHIBITION

On or before January 15, 2022, the Secretary of Natural Resources, after consultation with the U.S. Fish and Wildlife Service, shall submit to the House Committee on Fish, Wildlife and Water Resources and the Senate Committee on Natural Resources and Energy a report regarding the implementation of 10 V.S.A. § 7701, including a summary of:

(1) enforcement activities taken by the State, including the outcome of any items seized;

(2) the financial impact of the prohibition of the sale of ivory and rhinoceros horns on Vermont businesses;

(3) what actions other states have taken with regard to the sale of ivory and rhinoceros horns; and

(4) recommendations regarding necessary changes to Vermont law, including the extension or repeal of the prohibition.

Sec. 4. EFFECTIVE DATES

This act shall take effect on July 1, 2017, except that subsection (d) 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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposals of Amendment; Third Reading Ordered

H. 512.

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

An act relating to adequate shelter of dogs and cats.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 2, 13 V.S.A. § 365, by striking out subsection (f) and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Tethering of dog.

(1) ~~A~~ Except as provided under subdivision (2) of this subsection, a dog ~~chained to a shelter must~~ maintained outdoors on a tether shall be on a tether ~~chain~~ at least four times the length of the dog as measured from the tip of its nose to the base of its tail, and shall allow the dog access to the shelter.

(2)(A) A dog regularly used in training or participation in competitive or recreational sled dog activities and housed outdoors in close proximity with other dogs may, if necessary for the safety of the dog, be maintained on a tether three times the length of the dog, as measured from the tip of its nose to the base of its tail.

(B) If a tethering method involves the use of a trolley and cable and allows the dog to move freely along the length of the cable, the tether shall be long enough to allow the dog to lie down within its shelter without discomfort.

(3) A tether used for any dog shall be attached to both the dog and the anchor using swivels or similar devices that prevent the tether from becoming entangled or twisted. The tether shall be attached to a well-fitted collar or harness on the dog. The tether shall be of a size and weight that will not cause discomfort to a tethered dog. A choke collar shall not be used as part of a tethering method. Unless the dog is tethered to a trolley and cable system in accordance with subdivision (2)(B) of this subsection, the tether shall be attached to the anchor at a height no greater than that of the dog's withers while standing.

Second: By striking out Sec. 3 in its entirety and inserting in lieu thereof six new sections to be numbered Secs. 3, 4, 5, 6, 7 and 8 to read as follows:

Sec. 3. 24 V.S.A. § 1943 is added to read:

§ 1943. ANIMAL CRUELTY INVESTIGATION ADVISORY BOARD

(a) An Animal Cruelty Investigation Advisory Board is created within the Department of Public Safety to advise the Governor, the General Assembly, and the Commissioner of Public Safety on issues involving the cooperation and coordination of all agencies that exercise animal welfare responsibilities. The Governor shall appoint the following to serve on the Board:

(1) the Commissioner of Public Safety or designee;

(2) the Executive Director of State's Attorneys and Sheriffs or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Commissioner of Fish and Wildlife or designee;

(5) two members to represent the interests of organizations dedicated to promoting the welfare of animals;

(6) three members to represent the interests of law enforcement;

(7) a member to represent the interests of humane officers working with companion animals;

(8) a member to represent the interests of humane officers working with large animals (livestock);

(9) a member to represent the interests of dog breeders and associated groups;

(10) a member to represent the interests of veterinarians;

(11) a member to represent the interests of the Criminal Justice Training Council;

(12) a member to represent the interests of sportsmen and women; and

(13) a member to represent the interests of town health officers.

(b) The Board shall elect a chair and a vice chair which shall rotate among the various member representatives. Each member shall serve a term of two years. The Board shall meet at the call of the Chair. A quorum shall consist of eight members, and decisions of the Board shall require the approval of a majority of those members present and voting.

(c) The Board shall have the following duties:

(1) undertake an ongoing formal review process of animal cruelty investigations and practices with a goal of developing a systematic, collaborative approach to providing the best services to Vermont's animals, given monies available;

(2) work with the Department of Public Safety to study the feasibility of designating one law enforcement agency to receive, dispatch, and document the outcome of animal cruelty complaints, and with the assistance of the Vermont Sheriffs' Association, develop a uniform response protocol for assigning complaints to the appropriate local law enforcement agencies;

(3) to ensure that investigations of serious animal cruelty complaints are systematic and documented, develop written standard operating procedures and checklists to support the objective investigation of cruelty complaints that include objective measures of both environmental and clinical evidence of cruelty;

(4) ensure that requests for voluntary compliance are made in writing, with clear requests and timelines, and include a timeline for the investigator to perform a follow-up visit to confirm actions taken;

(5) develop a guide for animal cruelty prosecution, including a review of current sentencing recommendations for State's Attorneys;

(6) research the feasibility of developing and implementing an animal cruelty prevention and education program for offenders to be used as a part of offenders' sentencing;

(7) explore potential private and public sources of funding for animal cruelty investigations, including animal care expenses;

(8) develop trainings, protocols, procedures, and guidance documents for agencies engaging in animal welfare responsibilities;

(9) develop an animal cruelty investigation certification program for humane officers in accordance with 13 V.S.A. § 356, and provide a means by which a person who has been actively engaged in this State as a humane officer conducting animal cruelty investigations for at least five years preceding July 1, 2016 shall be eligible for certification without completion of the certification program requirements;

(10) develop recommendations for providing liability protection and reducing uncompensated costs to animal shelters and animal welfare groups that assist law enforcement authorities in animal cruelty investigations;

(11) explore changing the annual deadline for dog licensure under 20 V.S.A. § 3582 to better align with the time of year dogs require annual veterinary care; and

(12) determine what should appropriately constitute an enforcement action triggering the obligation of the Agency of Agriculture to assist law enforcement pursuant to 13 V.S.A. § 354(a).

(d) The Board shall meet no fewer than six times a year to undertake its duties as outlined in subsection (a) of this section. The Board shall present its findings and recommendations in brief summary to the House and Senate Committees on Judiciary annually on or before January 15.

Sec. 4. 20 V.S.A. § 2365b is added to read:

§ 2365b. ANIMAL CRUELTY RESPONSE TRAINING

As part of basic training in order to become certified as a Level Two and Level Three law enforcement officer, a person shall receive a two-hour training module on animal cruelty investigations as approved by the Vermont Criminal Justice Training Council and the Animal Cruelty Investigation Advisory Board.

Sec. 5. 13 V.S.A. § 356 is added to read:

§ 356. HUMANE OFFICER REQUIRED TRAINING

All humane officers, as defined in subdivision 351(4) of this title shall complete a certification program on animal cruelty investigation training as developed and approved by the Animal Cruelty Investigation Advisory Board.

Sec. 6. 13 V.S.A. § 354 is amended to read:

§ 354. ENFORCEMENT; POSSESSION OF ABUSED ANIMAL; SEARCHES AND SEIZURES; FORFEITURE

(a) The Secretary of Agriculture, Food and Markets shall be consulted prior to any enforcement action brought pursuant to this chapter which involves livestock and poultry. Law enforcement may consult with the Secretary in

person or by electronic means, and the Secretary shall assist law enforcement in determining whether the practice, animal condition, or both represent acceptable livestock or poultry husbandry practices.

* * *

Sec. 7. DEPARTMENT OF CORRECTIONS; ANIMAL CARE PILOT PROGRAM

The Commissioner of Corrections shall implement a pilot program in at least one correctional facility that would permit qualified inmates to provide temporary care, on-site, for animals on a weekly or more frequent basis. The program shall be established on or before January 1, 2017, and the Commissioner shall report on this program, with recommendations as to whether it could be expanded to care for animals that have been seized or relinquished in cruelty or neglect investigations, to the Joint Committee on Justice Oversight on or before November 1, 2017.

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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 proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 761.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to cataloguing and aligning health care performance measures.

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. GREEN MOUNTAIN CARE BOARD; PERFORMANCE MEASURES

The Green Mountain Care Board, in consultation with the Vermont Medical Society, shall survey and catalogue all existing performance measures required of primary care providers in Vermont, including the Centers for Medicare and Medicaid Services' quality measures. The Board shall develop a plan to align

performance measures across programs that impact primary care. The plan's goal shall be to reduce the administrative burden of reporting requirements for providers while balancing the need to evaluate quality of and access to care adequately. The Board shall submit the plan to the Senate Committee on Health and Welfare and to the House Committee on Health Care on or before January 15, 2017.

Sec. 2. 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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 854.

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

An act relating to timber trespass.

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. chapter 77 is amended to read:

CHAPTER 77. TREES AND PLANTS

§ 3601. DEFINITIONS

As used in this chapter:

(1) "Diameter breast height" or "DBH" means the diameter of a standing tree at four and one-half feet from the ground.

(2) "Harvest" means the cutting, felling, or removal of timber.

(3) "Harvest unit" means the area of land from which timber will be harvested or the area of land on which timber stand improvement will occur.

(4) "Harvester" means a person, firm, company, corporation, or other legal entity that harvests timber.

(5) "Landowner" means the person, firm, company, corporation, or other legal entity that owns or controls the land or owns or controls the right to harvest timber on the land.

(6) "Landowner's agent" means a person, firm, company, corporation, or other legal entity representing the landowner in a timber sale, timber harvest, or land management.

(7) "Stump diameter" means the diameter of a tree stump remaining after cutting, felling, or destruction.

(8) "Forest products" means logs; pulpwood; veneer; bolt wood; wood chips; stud wood; poles; pilings; biomass; fuel wood; or bark.

(9) "Timber" means:

(A) trees of every size, nature, kind, and description; and

(B) sprouts from which trees may grow, seedlings, saplings, bushes, or shrubs that have been planted or cultivated by a person who owns or controls the property where they are located.

§ 3602. ~~UNLAWFUL CUTTING OF TREES~~ VALUATION OF TREES OR TIMBER

~~(a)~~ Any person ~~who cuts, fells, destroys to the point of no value, or substantially damages the potential value of a tree without the consent of the owner of the property on which the tree stands shall be assessed a civil penalty in the following amounts for each tree over two inches in diameter that is cut, felled, or destroyed~~ who is entitled to damages pursuant to section 3606 of this title or who is entitled to restitution for a violation of section 3606a of this title may provide an assessment of the value, based upon the kind, condition, location, and use of the timber cut down, destroyed, removed, injured, damaged, or carried away or, in the alternative, may assess the value of the timber as follows:

(1) if ~~the~~ a tree is no more than six inches in stump diameter or DBH, ~~not more than $25.00~~ $50.00;

(2) if ~~the~~ a tree is more than six inches and not more than ten inches in stump diameter or DBH, ~~not more than $50.00~~ $100.00;

(3) if ~~the~~ a tree is more than 10 inches and not more than 14 inches in stump diameter or DBH, ~~not more than $150.00~~ $300.00;

(4) if ~~the~~ a tree is more than 14 inches and not more than 18 inches in stump diameter or DBH, ~~not more than $500.00~~ $750.00;

(5) if ~~the~~ a tree is more than 18 inches and not more than 22 inches in stump diameter or DBH, ~~not more than $1,000.00~~ $1,500.00;

(6) if ~~the~~ a tree is greater than 22 inches in stump diameter or DBH, ~~not more than $1,500.00~~ $2,000.00;

(7) for a bush or shrub, $50.00.

~~(b) In calculating the diameter and number of trees cut, felled, or destroyed under this section, a law enforcement officer may rely on a written damage assessment completed by a professional arborist or forester.~~

§ 3603. MARKING HARVEST UNITS

~~A~~ As a best management practice, a landowner who authorizes timber harvesting or who in fact harvests timber ~~shall~~ should clearly and accurately mark the harvest unit with ~~flagging or other temporary and~~ visible means ~~the harvest unit. Each mark of a harvest unit shall be visible from the next and shall not exceed 100 feet apart. The marking of a harvest unit shall be completed prior to commencement of a timber harvest. If a violation as described in section 3602 of this title occurs due to the failure of a landowner to mark a harvest unit, the landowner who failed to mark a harvest unit in accordance with the requirements of this subsection shall be assessed a civil penalty of not less than $250.00 and not more than $1,000.00~~.

§ 3604. EXEMPTIONS

The cutting, felling, or destruction of a tree or the harvest of timber by the following ~~is exempt from the requirements of sections 3602, 3603, and 3606~~ shall not be subject to a civil action under section 3606 of this title or a criminal penalty under section 3606a of this title:

(1) The Agency of Transportation, or its representatives, conducting ~~brush removal on State highways or Agency-maintained trails~~ vegetation management.

(2) A municipality conducting brush removal subject to the requirements of 19 V.S.A. § 904.

(3) A utility conducting vegetation ~~maintenance~~ management within the boundaries of the utility's established right-of-way.

(4) ~~A harvester harvesting timber that a landowner has authorized for harvest within a harvest unit that has been marked by a landowner under section 3603 of this title. A landowner who harvests timber on his or her own property shall not be a "harvester" for the purposes of this subdivision.~~ [Repealed.]

(5) A railroad conducting vegetation ~~maintenance or brush removal in the railroad right-of-way~~ management.

(6) A licensed surveyor establishing boundaries between abutting parcels under 27 V.S.A. § 4.

§ 3606. ~~TREBLE DAMAGES FOR CONVERSION OF TREES OR DEFACING MARKS ON LOGS~~ TRESPASS; CIVIL ACTION

(a) ~~If~~ In addition to any other civil liability or criminal penalty allowed by law, if a person cuts down, fells, destroys, removes, injures, damages, or carries away any ~~tree or trees, brush, or shrubs~~ timber placed or growing for any use or purpose whatsoever, or ~~timber, wood, or underwood~~ forest products standing, lying, or growing belonging to another person, without ~~leave~~ permission from the owner of ~~such trees,~~ the timber~~, wood, or underwood~~ or forest product, or cuts out, alters, or defaces the mark of a log or other valuable ~~timber, in a river or other place~~ forest product, the party injured may recover of such person, in an action on this statute, treble damages ~~or for each tree the same amount that would be assessed as a civil penalty under section 3602 of this title, whichever is greater~~ for the value of the timber or forest product, and any damage caused to the land or improvements thereon as a result of such action. The injured party or landowner may rely on an assessment of damages based on the kind, condition, location, and use of the timber or forest product by the injured party or landowner, or alternatively, may elect to rely on the values established under section 3602 of this title.

(b) ~~However, if it appears on trial that the defendant acted through mistake,~~ ~~or~~ If the defendant in an action brought pursuant to subsection (a) of this section establishes by a preponderance of the evidence that he or she had good reason to believe that the ~~trees,~~ timber~~, wood, or underwood~~ or forest products belonged to him or her, or that he or she had a legal right to perform the acts complained of, the plaintiff shall recover single damages only, with costs.

(c) ~~For purposes of~~ As used in this section, "damages" shall include any damage caused to the land or improvements thereon as a result of a person cutting, felling, destroying ~~to the point of no value, substantially reducing the potential value~~, removing, injuring, damaging, or carrying away ~~a trees,~~ timber~~, wood,~~ or forest products without the ~~consent~~ permission of the owner of the property on which the ~~tree~~ timber stands. ~~If a person cuts down, destroys, or carries away a tree or trees placed or growing for any use or purpose whatsoever or timber, wood, or underwood standing, lying, or growing belonging to another person due to the failure of the landowner or the landowner's agent to mark the harvest unit properly, as required under section 3603 of this title, a cause of action for damages may be brought against the landowner.~~

§ 3606a. TRESPASS; CRIMINAL PENALTY

(a) No person shall knowingly or recklessly:

(1) cut down, fell, destroy, remove, injure, damage, or carry away any timber or forest product placed or growing for any use or purpose whatsoever, or timber or forest product lying or growing belonging to another person, without permission from the owner of the timber or forest product; or

(2) deface the mark of a log, forest product, or other valuable timber in a river or other place.

(b) Any person who violates subsection (a) of this section shall:

(1) for a first offense, be imprisoned not more than one year or fined not more than $20,000.00, or both; or

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

Sec. 2. 4 V.S.A. § 1102(b) is amended to read:

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

* * *

(21) ~~Violations of 13 V.S.A. §§ 3602 and 3603, relating to the unlawful cutting of trees and the marking of harvest units.~~ [Repealed.]

Sec. 3 . EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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. 860.

Senator Starr, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to on-farm livestock slaughter.

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. 6 V.S.A. § 3311a is amended to read:

§ 3311a. LIVESTOCK; INSPECTION; LICENSING; PERSONAL SLAUGHTER; ITINERANT SLAUGHTER

(a) As used in this section:

(1) "Assist in the slaughter of livestock" means the act of slaughtering or butchering an animal and shall not mean the farmer's provision of a site on the farm for slaughter, provision of implements for slaughter, or the service of disposal of the carcass or offal from slaughter.

(2) "Sanitary conditions" means a site on a farm that is:

(A) clean and free of contaminants; and

(B) located or designed in a way to prevent:

(i) the occurrence of water pollution; and

(ii) the adulteration of the livestock or the slaughtered meat.

(b) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter by an individual of livestock that the individual raised for the individual's exclusive use or for the use of members of his or her household and his or her nonpaying guests and employees.

(c) The requirement for a license under section 3306 of this title or for inspection under this chapter shall not apply to the slaughter of livestock that occurs in a manner that meets all of the following requirements:

(1) an individual purchases livestock from a farmer that raised the livestock;

(2) the farmer is registered with the Secretary, on a form provided by the Secretary, as selling livestock for slaughter under this subsection;

(3) the individual who purchased the livestock performs the act of slaughtering the livestock;

~~(3)~~(4) the act of slaughter occurs, after approval from the farmer who sold the livestock, on a site on the farm where the livestock was purchased;

~~(4)~~(5) the slaughter is conducted under sanitary conditions;

~~(5)~~(6) the farmer who sold the livestock to the individual does not assist in the slaughter of the livestock;

~~(6)~~(7) no more than the following number of livestock per year are slaughtered under this subsection:

(A) ~~10~~ 15 swine;

(B) ~~three~~ five cattle;

(C) ~~25~~ 40 sheep or goats; or

(D) any combination of swine, cattle, sheep, or goats, provided that no more than ~~3,500~~ 6,000 pounds of the live weight of livestock are slaughtered per year; ~~and~~

~~(7)~~(8) the farmer who sold the livestock to the individual maintains a record of each slaughter conducted under this subsection and reports to the Secretary, on a form provided by the Secretary, on or before the 15th day of each month regarding all slaughter activity conducted under this subsection in the previous ~~month~~ calendar quarter. If a farmer fails to report slaughter activity conducted under this subsection, the Secretary, in addition to any enforcement action available under this chapter or chapter 1 of this title, may suspend the authority of the farmer to sell animals to an individual for slaughter under this subsection; and

(9) the slaughtered livestock may be halved or quartered by the individual who purchased the livestock but solely for the purpose of transport from the farm.

* * *

Sec. 2. 2013 Acts and Resolves No. 83, Sec. 13 is amended to read:

Sec. 13. REPEAL; LIVESTOCK SLAUGHTER EXEMPTIONS

6 V.S.A. § 3311a (livestock slaughter inspection and license exemptions) shall be repealed on July 1, ~~2016~~ 2019.

Sec. 3. EDUCATION AND OUTREACH; ON-FARM SLAUGHTER

The Secretary of Agriculture, Food and Markets, in consultation with interested parties, shall conduct outreach and education regarding the availability of and requirements for livestock slaughter under 6 V.S.A. § 3311a(c). The education and outreach may include educational materials, workshops, or classes regarding compliance with the requirements of 6 V.S.A. § 3311a(c).

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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 861.

Senator Zuckerman, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to regulation of treated article pesticides.

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. 6 V.S.A. § 1101 is amended to read:

§ 1101. DEFINITIONS

As used in this chapter unless the context clearly requires otherwise:

* * *

(4) "Economic poison" shall have the meaning stated in subdivision 911(5) of this title.

(5) "Pest" means any insect, rodent, nematode, fungus, weed, or any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organisms, which the ~~secretary~~ Secretary declares as being injurious to health or environment. Pest shall not mean any viruses, bacteria, or other micro-organisms on or in living ~~man~~ humans or other living animals.

(6) "Pesticide" for the purposes of this chapter shall be used interchangeably with "economic ~~poison".~~ poison."

(7) "Treated article" means a pesticide or class of pesticides exempt under 40 C.F.R. § 152.25(a) from regulation under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136-136y.

Sec. 2. 6 V.S.A. § 1102 is amended to read:

§ 1102. PESTICIDE ADVISORY COUNCIL ESTABLISHED

(a) The Pesticide Advisory Council is established and attached to the Agency of Agriculture, Food and Markets. Members of the Council, except those public members appointed by the Governor, shall be qualified individuals who, by experience and training, are knowledgeable in one or more areas associated with pest control. The Secretary, or Commissioner as the case may be, shall represent each Department or Agency on the Council:

(1) The Department of Fish and Wildlife.

(2) The Department of Environmental Conservation.

(3) The Agency of Agriculture, Food and Markets.

(4) The Department of Forests, Parks and Recreation.

(5) The Department of Health.

(6) The Agency of Transportation.

(7) One physician from the College of Medicine of the University of Vermont nominated by its dean.

(8) One representative in the area of entomology, plant pathology, or weed control from the University of Vermont Extension ~~Service~~ to be named by the director.

(9) One representative in the area of pesticide research from the Vermont Agricultural Experiment Station named by the dean of the College of Agriculture and Life Sciences of the University of Vermont.

(10) Two members appointed by the Governor. In choosing these members, the ~~governor~~ Governor shall consider people who have knowledge and qualities that could be useful in pursuing the goals and functions of the Council. One of these members shall have practical experience in commercial agricultural production and shall be appointed in consultation with the Secretary.

* * *

(d) The functions of the Council are:

(1) To review insect, plant disease, weed, nematode, rodent, noxious wildlife, and other pest control programs within the State and to assess the effect of such programs on human health and comfort, natural resources, water, wildlife, and food and ~~fibre~~ fiber production~~,~~ and, where necessary, make recommendations for greater safety and efficiency.

(2) To serve as the advisory group to State agencies having responsibilities for the use of pesticides as well as to other State agencies and departments.

(3) To advise the Executive Branch of State government with respect to legislation concerning the use of various pest control measures.

(4) To suggest programs, policies, and legislation for wise and effective pesticide use that lead to an overall reduction in the use of pesticides in Vermont consistent with sound pest or vegetative management practices.

(5) To recommend studies necessary for the performance of its functions as established under this section.

(6) To recommend targets with respect to the State goal of achieving an overall reduction in the use of pesticides consistent with sound pest or vegetative management practices, and to issue an annual report to the General Assembly, detailing the State's progress in reaching those targets and attaining that goal. The targets should be designed to enable evaluation of multiple measures of pesticide usage, use patterns, and associated risks. Targets should take into consideration at a minimum the following:

(A) reducing the amount of acreage where pesticides are used;

(B) reducing the risks associated with the use of pesticides;

(C) increasing the acreage managed by means of integrated pest management techniques;

(D) decreasing, within each level of comparable risk, the quantity of pesticides applied per acre; and

(E) making recommendations regarding the implementation of other management practices that result in decreased pesticide use.

(7) To recommend to the Secretary policies, proposed rules, or legislation for the regulation of the use of a treated article when the Council determines that use of the treated article will have a hazardous or long-term deleterious effect on the environment in Vermont, presents a likely risk to human health, or is dangerous. In developing recommendations under this subdivision, the Council shall review:

(A) alternatives available to a user of a treated article; and

(B) the potential effects on the environment or risks to human health from use of the available alternatives to a treated article.

(e) The Council shall meet semiannually, once in the fall and once in the spring. Meetings at other times may be called by the Governor, by the Chair, or by a member of the Council. Attendance at Council meetings shall not be required of the Commissioners of Departments within the Agency of Natural Resources, or their designees; however, at least one of these Commissioners, or the Commissioner's designee, shall attend each meeting of the Council. ~~Council~~ The Council's proceedings shall be open to the public and its deliberations shall be recorded and made available to the public, along with its work product.

Sec. 3. 6 V.S.A. § 1105a is added to read:

§ 1105a. TREATED ARTICLES; POWERS OF SECRETARY; BEST MANAGEMENT PRACTICES

(a) The Secretary of Agriculture, Food and Markets, upon the recommendation of the Pesticide Advisory Council, may adopt by rule:

(1) best management practices, standards, procedures, and requirements relating to the sale, use, storage, or disposal of treated articles the use of which the Pesticide Advisory Council has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous;

(2) requirements for the response to or corrective actions for exigent circumstances or contamination from a treated article that presents a threat to human health or the environment;

(3) requirements by the Secretary for the examination or inspection of treated articles the use of which the Pesticide Advisory Council has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous;

(4) requirements for persons selling treated articles to keep or make available to the Secretary records of sale of treated articles the use of which the Pesticide Advisory Council has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous; or

(5) requirements for reporting of incidents resulting from accidental contamination from or misuse of treated articles the use of which the Pesticide Advisory Council has determined will have a hazardous or long-term deleterious effect on the environment, presents a likely risk to human health, or is dangerous.

(b) At least 30 days prior to prefiling a rule authorized under subsection (a) of this section with the Interagency Committee on Administrative Rules under 3 V.S.A. § 837, the Secretary shall submit a copy of the draft rule to the Senate Committee on Agriculture and the House Committee on Agriculture and Forest Products for review.

Sec. 4. 6 V.S.A. § 1104(3) is amended to read:

(3) Adopt standards, procedures, and requirements relating to the display, sale, use, application, treatment, storage, or disposal of economic poisons or their waste products and limit the conditions under which the same may be sold, used, treated, stored, or disposed of. The use of pesticides which the ~~secretary~~ Secretary finds to have a hazardous or ~~long term~~ long-term

deleterious effect on the environment shall be restricted, and permits shall be required for their use in accordance with regulations adopted by the ~~secretary~~ Secretary. Specific uses of certain pesticides deemed to ~~be unwise or~~ present a likely risk to human health or be dangerous shall be restricted by regulation or by ordering the deletion of certain uses for registered pesticides from the label on pesticide products to be marketed in the ~~state~~ State. Approved methods for the safe display, storage, and shipping of poisonous pesticides shall be prescribed and enforced. Procedures for the disposal of pesticides which are illegal, obsolete, surplus, or in damaged containers shall be adopted and enforced with the cooperation of the ~~agency of natural resources~~ Agency of Natural Resources;

Sec. 5. CONSISTENCY OF TREATED ARTICLE REQUIREMENTS

The Secretary of Agriculture, Food and Markets shall not establish requirements, best management practices, standards, or procedures under 6 V.S.A. § 1105a for a treated article, class of treated articles, or release from a treated article when, and to the extent that, the sale, use, storage, disposal, inspection, recordkeeping, reporting, or corrective action of a treated article, class of treated article, or release from a treated article is regulated by another agency, department, board, or instrumentality of the State under rule, order, practice, procedure, or exercise of statutory authority.

Sec. 6. EFFECTIVE DATE

The act shall take effect on July 1, 2016.

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.

Recess

On motion of Senator Campbell the Senate recessed until 12:15 P.M.

Called to Order

The Senate was called to order by the President.

Senate Resolution Adopted

S.R. 12.

Senate resolution entitled:

Senate resolution amending the permanent rules of the Senate

Was taken up.

Thereupon, pending the question, Shall the Senate resolution be adopted?, Senators Ayer Baruth, Benning, Campbell, Flory and Mazza move to amend SR.12 in the first instance by striking out Rule 102(c) in its entirety and inserting in lieu thereof the following:

(c) The Rules Committee shall develop and adopt a policy and procedure for receiving and reviewing allegations of ethical violations of Senators and procedures for when information and documents are confidential and public. Revisions to the policy and procedure may be proposed by the Panel to the Rules Committee, which shall consider the proposal and report the proposal to the full Senate with recommendation.

Which was agreed to.

Thereupon, pending the question, Shall the Senate resolution be adopted?, Senator Lyons, Baruth, Benning, Campbell, Flory and Mazza move to amend SR.12 in the second instance by striking out Rule 103 in its entirety and inserting in lieu thereof the following:

103. Disclosure:

On or before the 10th day of the beginning of the biennium, each senator shall submit to the Secretary a disclosure form. The form shall be signed by the senator and be publicly available. A senator shall update the senator's disclosure form as circumstances require. The initial form shall be developed by the Secretary. Changes to the form shall be proposed by the Panel to the Rules Committee, which shall consider the proposal and report the proposal to the full Senate with recommendation.

Which was agreed to.

Thereupon, the Senate reviewed, amended and approved the initial disclosure form.

Thereupon, the Senate resolution was adopted.

On motion of Senator Campbell, the Vermont Senate Ethics Panel Procedure adopted by the Committee on Rules pursuant to the provisions of Senate Rule 102 and the initial disclosure form pursuant to Senate Rule 103 were ordered entered into the Journal, and are as follows:

Procedure for Handling Reported Alleged Ethical Violations

1. Reports must be in writing and signed by the Reporter. A report may be made by any person, but it must be in regard to alleged unethical conduct committed by a member during the current biennium or during the period between when the Senate adjourned during the last year of the prior biennium and the end of the current biennium.

2. The Panel shall provide the Respondent a copy of the report. The Respondent may file a response with the Panel. No Panel member shall participate as a Panel member for a report for which the Panel member is the Reporter or the Respondent.

3. The Panel shall make a preliminary review of the report to determine whether there is probable cause to believe an ethical violation pertaining to the Vermont Constitution or Senate Rules has occurred, which may include judging the qualifications of a member.

    A. If this criterion is not met, the report is closed and remains confidential. Notice is sent to the Reporter and the Respondent.

    B. If this criterion is met, the Panel proceeds with an investigation.

4. Investigations.

    A. General. An investigation includes interviewing witnesses and collecting any available documents.

    B. Confidentiality. The investigation is confidential.

    C. All proceedings of the Committee pursuant to this paragraph shall remain confidential.

    D. Outcome of investigation.

        i. If the Panel determines that no ethical violation occurred; an ethical violation occurred but it is minor in nature; or there is not enough evidence to support a charge of an ethical violation, the complaint is closed and remains confidential. Notice of the Panel's decision is sent to the Reporter and the Respondent.

        ii. If the Panel determines there are reasonable grounds to believe the Respondent committed an ethical violation and the report of an alleged ethical violation is not closed as provided in subdivision (i) of this subdivision (D):

            I. The Panel may enter into a confidential stipulation with the Respondent that may include a warning or discipline, such as a reprimand. The Panel shall advise the Reporter of the specifics of the remedial action taken.

            II. If the Respondent chooses not to enter into a stipulation, the Panel shall draft charges and set the matter for a hearing. The Reporter and the

Respondent shall receive a copy of the charges and the details regarding the time, date, and location of the hearing. The Respondent may file an answer to the charges, a copy of which the Panel shall provide to the Reporter.

5. Hearings.

   A. General. The Panel shall conduct a hearing on the charges. The Committee shall have the power to take testimony under oath and to issue subpoenas and to issue subpoenas duces tecum in accordance with Vermont law. The Respondent shall be entitled to appear, present his or her position, present evidence, cross examine witnesses, and call witnesses. The Chair of the Panel shall preside and the Panel may hire independent counsel. The Respondent may hire his or her own counsel at the Respondent's expense.

   B. Confidentiality. The hearing is closed to the public, unless the Respondent asks that it be open to the public.

   C. Rules of procedure and evidence. The Panel is not bound by technical rules of evidence and may admit evidence that the Panel considers to be reliable, material, and relevant. The Chair makes evidentiary rulings, which may be overruled by a majority of the Panel present at the hearing. The decision of the Panel cannot be based solely on hearsay evidence.

   D. Burden of proof. Burden of proof that an ethical violation occurred is clear and convincing evidence. This standard indicates that the alleged ethical violation is highly probable or reasonably certain. Evidence is "clear" if it is certain, unambiguous, and plain to the understanding; and it is "convincing" if it is reasonable and persuasive.

6. Findings.

   A. If the Panel finds an ethical violation did not occur, it will dismiss the charges. This dismissal is confidential. Notice of dismissal is sent to the Complainant and the Reporter.

   B. If the Panel finds an ethical violation occurred, it will introduce for the Senate's consideration a Senate resolution containing the chargers, the evidence presented, the Panel's findings, and its recommendations for disciplinary action.

7. Confidentiality and maintenance of records.

A. Confidentiality. Except for the Senate resolution described in subdivision (6)(B) of this Procedure:

i. Members of the Panel, the office of the Senate Secretary's Office and the Office of Legislative Council shall keep confidential any information received and any records produced or acquired in accordance with this Procedure.

ii. All records produced or acquired in accordance with this Procedure are not subject to the Public Records Act.

B. Maintenance of records. The Office of Secretary of the Senate shall maintain all records associated with handling any ethical report under this Procedure.

Senate Disclosure Form

1. Income: State the source, but not amount, of all personal taxable income that generates more than $10,000.00 annually. If you are self-employed, indicate the nature of that employment. (Use a separate sheet of paper if necessary.)

_____

_____

_____

_____

_____

2. Corporate Ownership: Identify any corporation in which you have a controlling interest. (Use a separate sheet of paper if necessary.)

_____

_____

3. Boards, Commissions & Associations: List any board, commission or association with which you are affiliated. For any such entity in which you are an officer, place a check on the line on the right. (Use a separate sheet of paper if necessary.)

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

_____ _____

Signature Date

Adjournment

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

Called to Order

The Senate was called to order by the President.

Bill Amended; Third Reading Ordered

S. 184.

Senator Pollina, for the Committee on Government Operations, to which was referred Senate bill entitled:

An act relating to establishing a State Ethics Commission.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Former Legislators; Lobbying Restriction * * *

Sec. 1. 2 V.S.A. § 266 is amended to read:

§ 266. PROHIBITED CONDUCT

* * *

(b) A legislator, for one year after leaving office, shall not be a lobbyist in this State.

(c) As used in this section, "candidate's committee," "contribution," and "legislative leadership political committee" shall have the same meanings as in 17 V.S.A. ~~§ 2901~~ chapter 61 (campaign finance).

* * * Former Executive Officers; Postemployment Restrictions * * *

Sec. 2. 3 V.S.A. § 267 is added to read:

§ 267. EXECUTIVE OFFICERS; POSTEMPLOYMENT RESTRICTIONS

(a) Prior participation while in State employ.

(1) An Executive officer, for one year after leaving office, shall not, for pecuniary gain, be an advocate for any private entity before any public body or the General Assembly or its committees regarding any particular matter in which:

(A) the State is a party or has a direct and substantial interest; and

(B) the Executive officer had participated personally and substantively while in State employ.

(2) The prohibition set forth in subdivision (1) of this subsection applies to any matter the Executive officer directly handled, supervised, or managed or gave substantial input, advice, or comment or benefited from, either through discussing, attending meetings on, or reviewing materials prepared regarding the matter.

(b) Prior official responsibility. An Executive officer, for one year after leaving office, shall not, for pecuniary gain, be an advocate for any private entity before any public body or the General Assembly or its committees regarding any particular matter in which the officer had exercised any official responsibility.

(c) Public body enforcement. A public body shall disqualify a former Executive officer from his or her appearance or participation in a particular matter if the officer's appearance or participation is prohibited under this section.

(d) Definitions. As used in this section:

(1) "Executive officer" means:

(A) the Governor, Lieutenant Governor, Treasurer, Secretary of State, Auditor of Accounts, or Attorney General; or

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

(2) "Private entity" means any person, corporation, partnership, joint venture, or association, whether organized for profit or not for profit, except one specifically chartered by the State of Vermont or that relies upon taxes for at least 50 percent of its revenues.

(3) "Public body" means any agency, department, division, or office and any board or commission of any such entity, or any independent board or commission, in the Executive Branch of the State.

* * * State Office and Legislative Candidates; Disclosure Form * * *

Sec. 3. 17 V.S.A. § 2414 is added to read:

§ 2414. CANDIDATES FOR STATE AND LEGISLATIVE OFFICE; DISCLOSURE FORM

(a) Each candidate for State office, State Senator, or State Representative shall file with the officer with whom consent of candidate forms are filed,

along with his or her consent, a disclosure form prepared by the Secretary of State that contains the following information in regard to the candidate's previous calendar year:

(1) Each source, but not amount, of personal income totaling $10,000.00 or more, including any of the sources meeting that total described as follows:

(A) employment, including the employer or business name and address, and if self-employed, a description of the nature of the self-employment without needing to disclose any individual clients;

(B) aggregated investment income, described generally as "investments;" and

(C) a lease or contract with the State held or entered into by the candidate or a company in which the candidate holds a controlling interest.

(2) Any board, commission, association, or other entity on which the candidate serves and a description of that position.

(3) Any company in which the candidate holds a controlling interest.

(b)(1) A senatorial district clerk or representative district clerk who receives a disclosure form under this section shall forward a copy of the disclosure to the Secretary of State within three business days of receiving it.

(2) The Secretary shall post a copy of any disclosure forms he or she receives under this section on his or her official State website.

(c) A candidate who fails to file a disclosure form as required by this section shall not have his or her name printed on the primary ballot, if applicable, or the general election ballot, except if the candidate wins the primary as a write-in candidate, he or she shall have one week from the date of the primary to file the disclosure form in order to be placed on the general election ballot.

Sec. 4. [Deleted.]

* * * Campaign Finance Investigations; Reports to Ethics Commission * * *

Sec. 5. 17 V.S.A. § 2904 is amended to read:

§ 2904. CIVIL INVESTIGATION

(a)(1) The Attorney General or a State's Attorney, whenever he or she has reason to believe any person to be or to have been in violation of this chapter or of any rule ~~or regulation~~ made pursuant to this chapter, may examine or cause to be examined by any agent or representative designated by him or her for that purpose any books, records, papers, memoranda, or physical objects of any nature bearing upon each alleged violation and may demand written responses under oath to questions bearing upon each alleged violation.

* * *

(5) Nothing in this subsection is intended to prevent the Attorney General or a State's Attorney from disclosing the results of an investigation conducted under this section, including the grounds for his or her decision as to whether to bring an enforcement action alleging a violation of this chapter or of any rule ~~or regulation~~ made pursuant to this chapter.

* * *

Sec. 6. 17 V.S.A. § 2904a is added to read:

§ 2904a. REPORTS TO STATE ETHICS COMMISSION

Upon his or her receipt of a complaint made in regard to a violation of this chapter or of any rule made pursuant to this chapter, or upon his or her investigation of such an alleged violation without receiving a complaint, the Attorney General or a State's Attorney shall:

(1) Forward a copy of the complaint or a description of the investigation to the State Ethics Commission established in 3 V.S.A. chapter 31. The Attorney General or State's Attorney shall provide this information to the Commission within 10 days of his or her receipt of the complaint or the start of the investigation.

(2) Report to the Commission regarding his or her decision as to whether to bring an enforcement action as a result of that complaint or investigation. The Attorney General or State's Attorney shall make this report within 10 days of that decision.

Sec. 7. 3 V.S.A. Part 1, chapter 31 is added to read:

CHAPTER 31. GOVERNMENTAL ETHICS

Subchapter 1. General Provisions

§ 1201. DEFINITIONS

As used in this chapter:

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

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

(3) "Executive officer" means:

(A) a State officer; or

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

(4) "Lobbyist" shall have the same meaning as in 2 V.S.A. § 261.

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

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

§ 1202. STATE CODE OF ETHICS

(a) The Department of Human Resources shall create and maintain a State Code of Ethics in accordance with section 315 of this title.

(b) In consultation with the Commissioner of Human Resources, each State officer may supplement the State Code of Ethics for the specific needs of his or her office.

Subchapter 2. Disclosures

§ 1211. EXECUTIVE OFFICERS; BIENNIAL DISCLOSURE

(a) Biennially, each Executive officer shall file with the State Ethics Commission a disclosure form that contains the following information in regard to the officer's previous calendar year:

(1) Each source, but not amount, of personal income totaling $10,000.00 or more, including any of the sources meeting that total described as follows:

(A) employment, including the employer or business name and address, and if self-employed, a description of the nature of the self-employment without needing to disclose any individual clients;

(B) aggregated investment income, described generally as "investments;" and

(C) a lease or contract with the State held or entered into by the officer or a company in which the officer holds a controlling interest.

(2) Any board, commission, association, or other entity on which the officer serves and a description of that position.

(3) Any company in which the officer holds a controlling interest.

(b) An officer shall file his or her disclosure on or before January 15 of the odd-numbered year or, if he or she is appointed after January 15, within 10 days after that appointment.

§ 1212. COMMISSION MEMBERS; BIENNIAL DISCLOSURE

(a) Biennially, each member of the State Ethics Commission shall file with the Executive Director of the Commission a disclosure form that contains the information that Executive officers are required to disclose under section 1211 of this subchapter.

(b) A member shall file his or her disclosure on or before January 15 of the first year of his or her appointment or, if the member is appointed after January 15, within 10 days after that appointment, and shall file subsequent disclosures biennially thereafter.

§ 1213. DISCLOSURES; GENERALLY

(a) The Executive Director of the Commission shall prepare on behalf of the Commission any disclosure form required to be filed with it, and shall make those forms available on the Commission's website.

(b) The Executive Director shall post a copy of any disclosure form the Commission receives on the Commission's website.

Subchapter 3. State Ethics Commission

§ 1221. STATE ETHICS COMMISSION

(a) Creation. There is created within the Executive Branch an independent commission named the State Ethics Commission to accept, review, make referrals regarding, and track complaints of alleged violations of the State Code of Ethics, of governmental conduct regulated by law, and of the State's campaign finance law set forth in 17 V.S.A. chapter 61; to provide ethics training; and to issue advisory opinions regarding ethical conduct.

(b) Membership.

(1) The Commission shall be composed of the following five members:

(A) a chair of the Commission, who shall be appointed by the Chief Justice of the Supreme Court;

(B) one member appointed by the Vermont affiliate of the American Civil Liberties Union;

(C) one member appointed by the League of Women Voters of Vermont;

(D) one member appointed by the Vermont Bar Association; and

(E) one member appointed by the Executive Director of the Human Rights Commission.

(2) A member shall not:

(A) hold any office in the Legislative, Executive, or Judicial Branch of State government or otherwise be employed by the State;

(B) hold or enter into any lease or contract with the State, or have a controlling interest in a company that holds or enters into a lease or contract with the State;

(C) be a lobbyist;

(D) be a candidate; or

(E) hold any office in a candidate's committee, a political committee, or a political party.

(3) A member may be removed for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act.

(4)(A) A member shall serve a term of three years and until a successor is appointed. A term shall begin on January 1 of the year of appointment and run through December 31 of the last year of the term. Terms of members shall be staggered so that not all terms expire at the same time.

(B) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term.

(C) A member shall not serve more than two terms. A member appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of this subdivision (C).

(c) Executive Director.

(1) The Commission shall be staffed by an Executive Director, who shall be appointed by and serve at the pleasure of the Commission and who shall be a part-time exempt State employee.

(2) The Executive Director shall provide administrative support as requested by the Commission, in addition to any other duties required by this chapter.

(d) Confidentiality. The Commission and the Executive Director shall maintain the confidentiality required by this chapter.

(e) Meetings. Meetings of the Commission may be called by the Chair and shall be called upon the request of any other two Commission members.

(f) Reimbursement. Each member of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

§ 1222. COMMISSION MEMBER DUTIES AND PROHIBITED CONDUCT

(a) Conflicts of interest.

(1) Prohibition; recusal.

(A) A Commission member shall not participate in any Commission matter in which he or she has a conflict of interest and shall recuse him- or herself from participation in that matter.

(B) The failure of a Commission member to recuse him- or herself as described in subdivision (A) of this subdivision (1) may be grounds for the Commission to discipline or remove that member.

(2) Disclosure of conflict of interest.

(A) A Commission member who has reason to believe he or she has a conflict of interest in a Commission matter shall disclose that he or she has that belief and disclose the nature of the conflict of interest. Alternatively, a Commission member may request that another Commission member recuse him- or herself from a Commission matter due to a conflict of interest.

(B) Once there has been a disclosure of a member's conflict of interest, members of the Commission shall be afforded the opportunity to ask questions or make comments about the situation to address the conflict.

(3) Postrecusal procedure. A Commission member who has recused him- or herself from participating on a Commission matter shall not sit or deliberate with the Commission on that matter or otherwise act as a Commission member on that matter, but may participate in that matter as a member of the public.

(4) Definition. As used in this subsection, "conflict of interest" means an interest of a member that is in conflict with the proper discharge of his or her official duties due to a significant personal or financial interest of the member, a person within the member's immediate family, or the member's business associate. "Conflict of interest" does not include any interest that is not greater than that of any other persons generally affected by the outcome of a matter.

(b) Gifts. A Commission member shall not accept a gift given by virtue of his or her membership on the Commission.

§ 1223. PROCEDURE FOR HANDLING COMPLAINTS

(a) Accepting complaints. On behalf of the Commission, the Executive Director shall accept complaints from any source regarding alleged violations of the State Code of Ethics, of governmental conduct regulated by law, or of the State's campaign finance law set forth in 17 V.S.A. chapter 61.

(b) Preliminary review by Executive Director. The Executive Director shall conduct a preliminary review of complaints made to the Commission in order to take action as set forth in this subsection.

(1) State Code of Ethics.

(A) If the complaint alleges a violation of the State Code of Ethics, the Executive Director shall refer the complaint to the Commissioner of Human Resources.

(B) The Commissioner shall report back to the Executive Director regarding the final disposition of a complaint referred under this subdivision (A) within 10 days of that final disposition.

(2) Governmental conduct regulated by law. If the Executive Director finds that a State officer or employee may have committed a violation of governmental conduct regulated by law, that a former legislator may have violated 2 V.S.A. § 266(b), or that a former Executive officer may have violated 3 V.S.A. § 267, the Executive Director shall submit the complaint to the Commission for its review.

(3) Campaign finance.

(A) If the complaint alleges a violation of campaign finance law, the Executive Director shall refer the complaint to the Attorney General or to the State's Attorney of jurisdiction, as appropriate.

(B) The Attorney General or State's Attorney shall report back to the Executive Director regarding his or her decision as to whether to bring an enforcement action as a result of a complaint referred under this subdivision (A) as set forth in 17 V.S.A. § 2904a.

(4) Legislative and Judicial Branches.

(A) If the complaint is in regard to conduct committed by a State Senator, the Executive Director shall refer the complaint to the Senate Ethics Panel.

(B) If the complaint is in regard to conduct committed by a State Representative, the Executive Director shall refer the complaint to the House Ethics Panel.

(C) If the complaint is in regard to conduct committed by a judicial officer, the Executive Director shall refer the complaint to the Judicial Conduct Board.

(D) If any of the complaints described in subdivisions (A)-(C) of this subdivision (4) also allege that a crime has been committed, the Executive Director shall also refer the complaint to the Attorney General and the State's Attorney of jurisdiction.

(5) Closures. The Executive Director shall close any complaint that he or she does not submit or refer as set forth in subdivisions (1)–(4) of this subsection.

(c) Commission reviews and referrals.

(1) For any complaint regarding an alleged violation of governmental conduct regulated by law that the Executive Director submits to it under subdivision (b)(2) of this section, the Commission shall meet to review the complaint. This meeting shall not be open to the public and is exempt from the requirements of the Open Meeting Law.

(2)(A) If, after its review, the Commission finds that there may have been a violation of governmental conduct regulated by law, it shall refer the complaint to the Attorney General and the State's Attorney of jurisdiction.

(B) If, after its review, the Commission finds that there has not been a violation of governmental conduct regulated by law, it shall close the complaint.

(d) Confidentiality. Except for complaints regarding alleged campaign finance law violations referred under subdivision (b)(3) of this section, complaints and related documents in the custody of the Commission shall be exempt from public inspection and copying under the Public Records Act and kept confidential.

§ 1224. COMMISSION ETHICS TRAINING

At least annually, in collaboration with the Department of Human Resources, the Commission shall make available to legislators, State officers, and State employees training on issues related to governmental ethics.

§ 1225. EXECUTIVE DIRECTOR ADVISORY OPINIONS

(a)(1) The Executive Director may issue to an Executive officer or other State employee, upon his or her request, an advisory opinion regarding any provision of this chapter or any issue related to governmental ethics.

(2) The Executive Director may consult with members of the Commission in preparing an advisory opinion.

(b) An advisory opinion issued under this section shall be exempt from public inspection and copying under the Public Records Act and kept confidential.

§ 1226. COMMISSION REPORTS

Annually, on or before January 15, the Commission shall report to the General Assembly regarding the following issues:

(1) Complaints. The number and a summary of the complaints made to it, separating the complaints by topic, and the disposition of those complaints, including any prosecution, enforcement action, or dismissal. This summary of complaints shall not include any personal identifying information.

(2) Advisory opinions. The number and a summary of the advisory opinions the Executive Director issued, separating the opinions by topic. This summary of advisory opinions shall not include any personal identifying information.

(3) Recommendations. Any recommendations for legislative action to address governmental ethics or provisions of campaign finance law.

* * * Implementation * * *

Sec. 8. APPLICABILITY OF EMPLOYMENT RESTRICTIONS

The provisions of Secs. 1 and 2 of this act that restrict employment shall not apply to any employment in effect on the effective date of those sections.

Sec. 9. DEPARTMENT OF HUMAN RESOURCES; STATE CODE OF ETHICS CREATION

The Department of Human Resources shall create the State Code of Ethics described in 3 V.S.A. § 1202 in Sec. 7 of this act on or before January 1, 2017.

Sec. 10. IMPLEMENTATION OF THE STATE ETHICS COMMISSION

(a) The State Ethics Commission, created in Sec. 7 of this act, is established on January 1, 2017.

(b) Members of the Commission shall be appointed on or before October 15, 2016 in order to prepare as they deem necessary for the establishment of the Commission, including the hiring of the Commission's Executive Director. Terms of members shall officially begin on January 1, 2017.

(c)(1) In order to stagger the terms of the members of the State Ethics Commission as described in 3 V.S.A. § 1221(b)(4)(A), in Sec. 7 of this act, the initial terms of those members shall be as follows:

(A) the Chief Justice of the Supreme Court shall appoint the Chair for a three-year term;

(B) the Vermont affiliate of the American Civil Liberties Union shall appoint a member for a two-year term;

(C) the League of Women Voters of Vermont shall appoint a member for a one-year term;

(D) the Vermont Bar Association shall appoint a member for a three-year term; and

(E) the Executive Director of the Human Rights Commission shall appoint a member for a two-year term.

(2) After the expiration of the initial terms set forth in subdivision (1) of this subsection, Commission member terms shall be as set forth in 3 V.S.A. § 1221(b)(4)(A) in Sec. 7 of this act.

Sec. 11. CREATION OF STAFF POSITION FOR STATE ETHICS COMMISSION

(a) One (1) part-time exempt Executive Director position is created in the State Ethics Commission set forth in Sec. 7 of this act by using an existing position in the position pool.

(b) The amount of $1.00 is appropriated to fund the position described in subsection (a) of this section.

Sec. 12. 3 V.S.A. § 260 is amended to read:

§ 260. LOCATION OF OFFICES

* * *

(c) The principal office of each of the following boards and divisions shall be located in Montpelier: Aeronautics Board, Division for Historic Preservation, Board of Libraries, ~~and~~ Division of Recreation, and State Ethics Commission.

* * *

Sec. 13. BUILDINGS AND GENERAL SERVICES; SPACE ALLOCATION

The Commissioner of Buildings and General Services shall allocate space for the State Ethics Commission established in Sec. 7 of this act in accordance with 3 V.S.A. § 260 set forth in Sec. 12 of this act. This space shall be allocated on or before October 15, 2016.

* * * Municipal Conflicts of Interest * * *

Sec. 14. GENERAL ASSEMBLY RECOMMENDATION; ISSUES RELATING TO ETHICS AND CONFLICTS OF INTEREST IN MUNICIPALITIES

(a) The General Assembly recommends that municipalities use existing statutory authority to address municipal issues relating to ethics and conflicts of interest. Provisions of law addressing those issues include the following:

(1) 24 V.S.A. § 1202, regarding the ability of a local board to use the Municipal Administrative Procedure Act set forth in 24 V.S.A. chapter 36, which includes compliance with 12 V.S.A. § 61(a), regarding disqualifications for interest for persons acting in a judicial capacity;

(2) 24 V.S.A. § 1984, regarding the ability of the voters of a town, city, or incorporated village to adopt a conflict of interest policy for their elected and appointed officials;

(3) 24 V.S.A. § 2291(20), regarding the ability of a town, city, or incorporated village to establish a conflict of interest policy to apply to all elected or appointed officials in the municipality; and

(4) 24 V.S.A. § 4461(a), regarding the requirement that an appropriate municipal panel adopt rules of ethics with respect to conflicts of interest as part of its development review procedure.

(b) On or before January 1, 2017, the Vermont League of Cities and Towns shall report to the General Assembly on the number of towns that are using the statutory authority described in subsection (a) of this section, and which of those authorities are used.

* * * Effective Dates * * *

Sec. 15. EFFECTIVE DATES

This act shall take effect as follows:

(1) The following sections shall take effect on July 1, 2016:

(A) Sec. 1, 2 V.S.A. § 266 (former legislators; lobbying; prohibited employment); and

(B) Sec. 2, 3 V.S.A. § 267 (former Executive officers; prohibited employment).

(2) The following sections shall take effect on January 1, 2017:

(A) Sec. 6, 17 V.S.A. § 2904a (Attorney General or State's Attorney; campaign finance; reports to State Ethics Commission); and

(B) Sec. 7, 3 V.S.A. Part 1, chapter 31 (governmental ethics).

(3) Sec. 3, 17 V.S.A. § 2414 (candidates for State and legislative office; disclosure form) shall take effect on January 1, 2018.

(4) This section and all other sections shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

First: By adding a new section to be numbered Sec. 13a to read as follows:

Sec. 13a. STATE ETHICS COMMISSION FUNDING SOURCE; SURCHARGE; REPEAL

(a) Surcharge.

(1) In fiscal year 2017 and thereafter, a surcharge of up to 2.3%, but no greater than the cost of the activities of the State Ethics Commission set forth in Sec. 7 of this act, on the per position portion of the charges authorized in 3 V.S.A. § 2283(b)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the activities of the State Ethics Commission set forth in Sec. 7 of this act.

(b) Repeal. This section shall be repealed on June 30, 2018.

Second: In Sec. 11 (creation of staff position for State Ethics Commission), by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) [Deleted.]

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 Government Operations was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, Senator Collamore, Benning, Bray, Pollina and White moved to amend the recommendation of amendment of the Committee on Government Operations by adding a new section to be numbered Sec. 10a to read as follows:

Sec. 10a. STATE ETHICS COMMISSION; RECOMMENDATIONS REGARDING CONTRIBUTIONS FROM STATE CONTRACTORS

(a) On or before September 1, 2017, the State Ethics Commission shall recommend to the General Assembly whether the State should prohibit campaign contributions to candidates for State office and to State officers from persons who contract with the State or who bid on such a contract.

(b) If the Commission determines that the General Assembly should enact such a prohibition, the Commission's recommendation shall include the following information:

(1) Whether there should be a minimum contract amount that would trigger the prohibition.

(2) The duration of the prohibition.

(3) Whether the prohibition should apply both to persons who bid for a contract and persons who are awarded a contract. If the Commission recommends that persons who bid for a contract should be included in the prohibition, the Commission shall also recommend whether to include prequalified vendors in the prohibition and, if so, the manner in which the prohibition would apply.

(4) If a contractor or prospective contractor is a business entity, whether any principals of the business—such as an individual who has a controlling interest in it—should be included in the prohibition, and whether any family members of an individual who is a contractor, prospective contractor, or principal should be included in the prohibition.

(5) Any other information the Commission considers relevant.

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, Senator Benning moved to amend the recommendation of amendment of the Committee on Government Operations as amended, as follows:

First: In Sec. 3, 17 V.S.A. § 2414 (candidates for State and legislative office; disclosure form), in subdivision (a)(1), after the following: "but not amount, of personal" by striking out the following: "income totaling $10,000.00 or more" and inserting in lieu thereof the following: taxable income totaling more than $10,000.00

Second: In Sec. 7, 3 V.S.A. Part 1, chapter 31 (governmental ethics), in 3 V.S.A. § 1211 (Executive officers; biennial disclosure), in subdivision (a)(1), after the following: "but not amount, of personal" by striking out the following: "income totaling $10,000.00 or more" and inserting in lieu thereof the following: taxable income totaling more than $10,000.00

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered on a roll call, Yeas 28, Nays 0.

Senator Degree 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, Balint, Baruth, Benning, Bray, Campion, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Campbell, McAllister (suspended).

Message from the House No. 53

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 882. An act relating to approval of amendments to the charter of the City of Burlington.

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

The House has considered a bill originating in the Senate of the following title:

S. 176. An act relating to disclosure of compliance with accessibility standards in the sale of residential construction.

And has passed the same in concurrence.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 20, 2016.

WEDNESDAY, APRIL 20, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Kim Kie of Barre.

Rules Suspended; Bill Committed

H. 812.

Pending entry on the Calendar for notice, on motion of Senator Ayer, the rules were suspended and House bill entitled:

An act relating to implementing an all-payer model and oversight of accountable care organizations.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Health and Welfare, Senator Ayer moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Health and Welfare *intact*,

Which was agreed to.

Bill Referred to Committee on Appropriations

H. 518.

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 the membership of the Clean Water Fund Board.

Bill Referred

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

H. 882. An act relating to approval of amendments to the charter of the City of Burlington.

To the Committee on Rules pursuant to Temporary Rule 44A.

Consideration Postponed

Prop 1 entitled:

Prop 1.

Declaration of rights; right to privacy.

Was taken up.

Thereupon, on motion of Senator Campbell, consideration was postponed until the next legislative day.

Consideration Resumed; Consideration Postponed

H. 829.

Consideration was resumed on House bill entitled:

An act relating to water quality on small farms.

Thereupon, pending the question, Shall the Senate adopt the proposal of amendment of the Committee on Agriculture?, on motion of Senator Campbell, consideration was postponed until later in the day.

Proposal of Amendment; Third Reading Ordered

H. 595.

Senator Campion, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to potable water supplies from surface waters.

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. 10 V.S.A. § 1978(a) is amended to read:

(a) The Secretary shall adopt rules, in accordance with 3 V.S.A. chapter 25, necessary for the administration of this chapter. These rules shall include the following:

* * *

(15) Provisions authorizing the use by a residential dwelling of surface water as a source of a potable water supply permitted under this chapter.

Sec. 2. 10 V.S.A. § 1981 is added to read:

§ 1981. SURFACE WATER SOURCE; POTABLE WATER SUPPLY

The Secretary shall approve the use of a surface water as the source of a potable water supply under this chapter if the following conditions are satisfied:

(1) the building or structure using the surface water as a source is a single-family residence occupied by the owner of record;

(2) only one single-family residence shall be served by a potable water supply using a surface water as a source;

(3) a single-family residence with a potable water supply using a surface water as a source shall not be used as the site of a home occupation that employs persons other than family members and is visited by the public in a

manner or duration that would presume the need for use of a potable water supply;

(4) a professional engineer shall design the potable water supply using a surface water as a source, including a treatment system for the surface water;

(5) only surface waters that meet criteria adopted by the Secretary by rule are eligible as the source of a potable water supply permitted under this chapter; and

(6) the applicant or permit holder shall comply with other criteria and requirements adopted by the Secretary by rule for potable water supplies using a surface water as a source.

Sec. 3. SURFACE WATER SOURCE; RULEMAKING

The Secretary shall adopt rules to implement 10 V.S.A. § 1981 on or before July 1, 2017.

Sec. 4. 10 V.S.A. § 1982 is added to read:

§ 1982. TESTING OF NEW GROUNDWATER SOURCES

(a) As used in this section, "groundwater source" means that portion of a potable water supply that draws water from the ground, including a drilled well, shallow well, driven well point, or spring.

(b) Prior to use of a new groundwater source as a potable water supply, where testing is not otherwise required, the person who owns or controls the groundwater source shall test the groundwater source for the parameters set forth in subsection (c) of this section.

(c) A water sample collected under this section shall be analyzed for, at a minimum: arsenic, lead, uranium, gross alpha radiation, total coliform bacteria, total nitrate and nitrite, fluoride, manganese, and any other parameters required by the Agency by rule. The Agency by rule may require testing for a parameter by region or specific geographic area of concern.

(d) The Secretary, after consultation with the Department of Health, the Wastewater and Potable Water Supply Technical Advisory Committee, the Vermont Realtors, the Vermont Association of Professional Home Inspectors, private laboratories, and other interested parties, shall adopt by rule requirements regarding:

(1) when, prior to use of a new groundwater source, the test required under subsection (b) of this section shall be conducted;

(2) who shall be authorized to sample the source for the test required under subsection (b) of this section, provided that the rule shall include the

person who owns or controls the groundwater source and licensed well drillers among those authorized to conduct the test;

(3) how a water sample shall be collected in order to comply with the requirements of the analyses to be performed; and

(4) any other requirements necessary to implement this section.

Sec. 5. AGENCY OF NATURAL RESOURCES; GROUNDWATER SOURCE TESTING

The Secretary of Natural Resources shall commence rulemaking under 10 V.S.A. § 1982 on or before July 1, 2016. The Secretary shall adopt rules under 10 V.S.A. § 1982 on or before January 1, 2017.

Sec. 6. 18 V.S.A. § 501b is amended to read:

§ 501b. CERTIFICATION OF LABORATORIES

(a) The ~~commissioner~~ Commissioner may certify a laboratory that meets the standards currently in effect of the National Environmental Laboratory Accreditation Conference and is accredited by an approved National Environmental Laboratory Accreditation Program accrediting authority or its equivalent to perform the testing and monitoring:

(1) required under 10 V.S.A. chapter 56 and the federal Safe Drinking Water Act; and

(2) of water from a potable water supply, as that term is defined in 10 V.S.A. § 1972(6).

(b)(1) The ~~commissioner~~ Commissioner may by order suspend or revoke a certificate granted under this section, after notice and opportunity to be heard, if the ~~commissioner~~ Commissioner finds that the certificate holder has:

(A) submitted materially false or materially inaccurate information; or

(B) violated any material requirement, restriction, or condition of the certificate; or

(C) violated any statute, rule, or order relating to this title.

(2) The order shall set forth what steps, if any, may be taken by the certificate holder to relieve the holder of the suspension or enable the certificate holder to reapply for certification if a previous certificate has been revoked.

(c) A person may appeal the suspension or revocation of the certificate to the ~~board~~ Board under section 128 of this title.

* * *

(f) A laboratory certified to conduct testing of groundwater sources or water supplies ~~from~~ under 10 V.S.A. § 1982 or other statute for use by a potable water supply, as that term is defined in 10 V.S.A. § 1972(6), shall submit the results of groundwater analyses to the ~~department of health~~ Department of Health and the ~~agency of natural resources~~ Agency of Natural Resources in a format required by the ~~department of health~~ Department of Health.

Sec. 7. 10 V.S.A. § 1283(b) is amended to read:

(b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation which is not an emergency situation shall not exceed $100,000.00 for costs attributable to each of the subdivisions of this subsection, unless the Secretary has received the approval of the General Assembly, or the Joint Fiscal Committee, in case the General Assembly is not in session. Furthermore, the balance in the Fund shall not be drawn below the amount of $100,000.00, except in emergency situations. If the balance of the Fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the Fund may be made:

* * *

(7) to pay costs of management oversight provided by the State for investigation and cleanup efforts conducted by voluntary responsible parties ~~where those responsible parties have contributed monies to the Fund pursuant to a written agreement under subsection (f) of this section~~;

* * *

Sec. 8. 10 V.S.A. § 6615c is added to read:

§ 6615c. INFORMATION REQUESTS

(a)(1) When the Secretary has reasonable cause to believe that the Secretary has identified a person who may be subject to liability for a release or threat of release under section 6615 of this title, the Secretary may require the person to furnish information related to:

(A) The type, nature, and quantity of any commercial chemical product or hazardous material that has been or is being used, generated, treated, stored, or disposed of at a facility or transported to a facility.

(B) The nature or extent of a release or threatened release of a hazardous material from a facility.

(C) Financial information related to the ability of a person to pay for or to perform a cleanup or information surrounding the corporate structure, if any, of such person who may be subject to liability for a release or threat of release under section 6615 of this title.

(2) A person served with an information request shall respond within 10 days of receipt of the request or by the date specified by the Secretary in the request.

(b)(1) A person who has received a request under subsection (a) of this section shall, at the discretion of the Secretary, either:

(A) grant the Secretary access, at reasonable times, to any facility, establishment, place, property, or location to inspect and copy all documents or records relating to information that was related to the request; or

(B) copy and furnish to the Secretary all such information at the option and expense of the person or provide a written explanation that the information has already been provided to the Secretary and a reference to the permit, enforcement action, or other matter under which the Secretary obtained the requested information.

(2) A person responding to a request under subsection (a) of this section may assert any privilege under statute, rule, or common law that is recognized in the State of Vermont to limit access to such information, including the attorney-client privilege. A person responding to a request for information under this section shall not assert privileges related to business confidentiality, including trade secrets, in order to withhold requested information. Any information that is privileged shall be provided to the Secretary with the privileged material redacted. The Secretary may require that a person asserting a privilege under this section provide an index of all privileged information.

(c) The Secretary may require any person who has or may have knowledge of any information listed in subdivisions (a)(1) of this section to appear at the offices of the Secretary and may take testimony and require the production of records that relate to a release or threatened release of a hazardous material.

(d) Any request for information under this section shall be served personally or by certified mail.

(e) A response to a request under this section shall be personally certified by the person responding to the request that:

(1) the response is accurate and truthful; and

(2) the person has not omitted responsive information or will provide the responsive information according to a production schedule approved by the Secretary.

(f) Information that qualifies for the trade secret exemption under 1 V.S.A. § 317(c)(9) and other financial information submitted under this section shall be confidential and shall not be subject to inspection and copying under the Public Records Act. A person subject to an information request under this section shall be responsible for proving that submitted information qualifies for the trade secret exemption under 1 V.S.A. § 317(c)(9). The following information is not trade secret information or financial information for the purposes of this subsection:

(1) the trade name, common name, or generic class or category of the hazardous material;

(2) the physical properties of the hazardous material, including its boiling point, melting point, flash point, specific gravity, vapor density, solubility in water, and vapor pressure at 20 degrees Celsius;

(3) the hazards to health and the environment posed by the hazardous material, including physical hazards and potential acute and chronic health hazards;

(4) the potential routes of human exposure to the hazardous material at the facility;

(5) the location of disposal of any waste stream at the facility;

(6) any monitoring data or analysis of monitoring data pertaining to disposal activities;

(7) any hydrogeologic or geologic data; or

(8) any groundwater monitoring data.

(g) As used in this section, "information" means any written or recorded information, including all documents, records, photographs, recordings, e-mail, or correspondence.

Sec. 9. 10 V.S.A. § 6615d is added to read:

§ 6615d. NATURAL RESOURCE DAMAGES; LIABILITY; RULEMAKING

(a) Definitions. As used in this section:

(1) "Baseline condition" means the condition or conditions that would have existed at the area of assessed damages had the release of hazardous material not occurred.

(2) "Damages" means the amount of money sought by the Secretary for the injury, destruction, or loss of natural resources.

(3) "Destruction" means the total and irreversible loss of natural resources.

(4) "Injury" means a measurable adverse long-term or short-term change in the chemical or physical quality or viability of a natural resource resulting either directly or indirectly from exposure to a release of hazardous material or exposure to a product of reactions from a release of hazardous materials.

(5) "Loss" means a measurable adverse reaction of a chemical or physical quality of viability of a natural resource.

(6) "Natural resources" means fish, wildlife, biota, air, surface water, groundwater, wetlands, drinking water supplies, or State-held public lands.

(7) "Natural resource damage assessment" means the process of collecting, compiling, and analyzing information, statistics, or data through prescribed methodologies to determine the damages for injuries to natural resources.

(8) "Restoring," "restoration," "rehabilitating," or "rehabilitation" means actions undertaken to return an injured natural resource to its baseline condition, as measured in terms of the injured resource's physical, chemical, or biological properties or the services it had previously provided, when such actions are in addition to a response action.

(b) Authorization. The Secretary may assess damages against any person found to be liable under section 6615 of this title for a release or threatened release of hazardous material for injury to, destruction of, or loss of natural resources from the release or threatened release. The measure of damages that may be assessed for natural resources damages shall include the cost of restoring or rehabilitating injured, damaged, or destroyed natural resources, compensation for the interim injury to or loss of natural resources pending recovery, and any reasonable costs of the Secretary in conducting a natural resources damage assessment.

(c) Rulemaking; methodology. The Secretary shall adopt rules to implement the requirements of this section, including a methodology by which the Secretary shall assess and value natural resources damages. The rules shall include:

(1) requirements or acceptable standards for the preassessment of natural resources damages, including requirements for:

(A) notification of the Secretary or other necessary persons;

(B) authorized emergency response to natural resources damages, and

(C) sampling or screening of the potentially injured natural resources;

(2) requirements for the a natural resources damages assessment plan to ensure that the natural resources damage assessment is performed in a designed and systematic manner, including:

(A) the categories of reasonable and necessary costs that may be incurred as part of the assessment plan;

(B) the methodologies for identifying and screening costs;

(C) the types of assessment procedures available to the Secretary, when the available procedures are authorized, and the requirements of the available procedures;

(D) how injury or loss shall be determined and how injury or loss is quantified; and

(E) how damages are determined;

(3) requirements for post-natural resources damages assessment, including:

(A) the documentation that the Secretary shall produce to complete the assessment;

(B) how the Secretary shall seek recovery; and

(C) when and whether the Secretary shall require a restoration plan; and

(4) other requirements deemed necessary by the Secretary for implementation of the rules.

(d) Exceptions. The Secretary shall not seek to recover natural resources damages under this section when the person liable for the release or threatened release:

(1) demonstrates that the alleged natural resources damages were identified as a potential irreversible or irretrievable environmental effect on natural resource damages in an application for, renewal of, review of, or other environmental assessment of a permit, certification, license or other required authorization;

(2) the Secretary authorized the identified effect on natural resources in an issued permit, certification, license, or other authorization; and

(3) the person liable for the release or threatened release was operating within the terms of its permit, certification, license, or other authorization.

(e) Limitations. The natural resources damages authorized under this section and the requirements for assessment under the rules authorized by this section shall not limit the authority of the Secretary of Natural Resources to seek or recover natural resource damages under other State law, federal law, or common law.

Sec. 10. NATURAL RESOURCES DAMAGES; COMMENCEMENT; ADOPTION

(a) The Secretary of Natural Resources shall consult with interested parties in the adoption of rules under 10 V.S.A. § 6615d.

(b) The Secretary of Natural Resources shall commence rulemaking under 10 V.S.A. § 6615d on or before January 1, 2017. The Secretary shall adopt rules under 10 V.S.A. § 6615d on or before November 1, 2017.

(c) On or before February 15, 2017, the Secretary of Natural Resources shall submit to the Senate and House Committees on Natural Resources and Energy and the House Committee on Fish, Wildlife and Water Resources a copy of the draft rules for natural resource damages required under 10 V.S.A. § 6615d for review.

(d) The Secretary of Natural Resources shall not seek natural resources damages under 10 V.S.A. § 6615d until the rules required under 10 V.S.A. § 6615d(c) are effective.

Sec. 11. 10 V.S.A. § 8005(b) is amended to read:

(b) Access orders and information requests.

(1) A Superior Court judge shall issue an access order when access has been refused and the investigator, by affidavit, describes the property to be examined and identifies:

(A) a provision of a permit that authorizes the inspection; or

(B) the property as being scheduled for inspection in accordance with a neutral inspection program adopted by the Secretary or the Natural Resources Board; or

(C) facts providing reasonable grounds to believe that a violation exists and that an examination of the specifically described property will be of material aid in determining the existence of the violation.

(2) A Superior Court shall issue an order requiring compliance with an information request submitted pursuant to section 6615c of this title when:

(A) the person served with the request fails to respond to the request in the time frame identified by the Secretary;

(B) the Secretary submits, by affidavit, facts providing reasonable grounds that a release or threatened release has taken place; and

(C) the information will be of material aid in responding to the release or threatened release.

(3) Issuance of an access order shall not negate the Secretary's authority to initiate criminal proceedings in the same matter by referring the matter to the Office of the Attorney General or a State's Attorney.

Sec. 12. AGENCY OF NATURAL RESOURCES' WORKING GROUP ON TOXIC CHEMICAL USE IN THE STATE

(a) Formation. On or before July 1, 2016, the Secretary of Natural Resources shall establish a working group of interested parties to develop recommendations for how to improve the ability of the State to:

(1) prevent citizens and communities in the State from being exposed to toxic chemicals, hazardous materials, or hazardous wastes;

(2) identify and regulate the use of toxic chemicals or hazardous materials that currently are unregulated by the State; and

(3) inform communities and citizens in the State of potential exposure to toxic chemicals, including contamination of groundwater, public drinking water systems, and private potable water supplies

(b) Duties. The Working Group shall:

(1) recommend actions the State of Vermont could take to improve how data is collected and what data is collected regarding the location of sites where toxic chemicals, hazardous materials, or hazardous waste is used, stored, or managed; and the proximity of these sites to both public and private water supplies;

(2) recommend actions the State of Vermont could take to improve what information is made available to the public, and how it is made publically available, regarding the risks to private and public drinking water supplies and groundwater from toxic chemicals, hazardous materials, or hazardous waste;

(3) recommend actions the State of Vermont could take to improve the identification process and consistency of listing and regulating hazardous materials, hazardous waste, and toxic chemicals regulated within DEC and the Department of Health, to ensure the State is adequately identifying chemicals that pose a threat to human health, and that it has the necessary tools to prevent and respond to chemical threats to human health;

(4) recommend actions the State of Vermont could take to improve the prevention, detection, and response to the contamination of public drinking water supplies and groundwater from toxic chemicals, hazardous materials, or hazardous waste;

(5) identify potential fiscal issues related to its recommendations, and make recommendations on actions the State of Vermont could take to better fund existing programs and any recommended improvements; and

(6) develop recommended legislative changes that may be needed to implement recommendations and strategies.

(c) The Working Group shall submit a report to the Senate and House Committees on Natural Resources and Energy and to the House Committee on Fish, Wildlife and Water Resources with its findings and recommendations on or before January 15, 2017.

Sec. 13. EFFECTIVE DATES

(a) This section and Secs. 1 (ANR authorization to adopt surface water rules), 3 (surface water source rules; potable water supply), 6 (certification of laboratories), 7 (Environmental Contingency Fund), 8 (ANR information requests), 9–10 (natural resources damages), 11 (ANR enforcement), and 12 (ANR working group on toxic chemicals) shall take effect on passage.

(b) Secs. 4–5 (testing of new groundwater sources) shall take effect on passage, except that 10 V.S.A. § 1982(b) (the requirement to test new groundwater sources) shall take effect on January 1, 2017.

(c) Sec. 2 (permitting of surface water sources) shall take effect July 1, 2017.

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.

Bill Passed

S. 184.

Senate bill entitled:

An act relating to establishing a State Ethics Commission.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sirotkin moved to amend the bill in Sec. 1, 2 V.S.A. § 266 (prohibited conduct) subsection (b)

after the word "lobbyist" by inserting the words or be employed by a lobbying firm

Which was disagreed to on a roll call Yeas, 14, Nays 15.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Baruth, Benning, Collamore, Cummings, Doyle, MacDonald, Mullin, Pollina, Riehle, Sirotkin, Starr, Westman, Zuckerman.

Those Senators who voted in the negative were: Ayer, Balint, Bray, Campbell, Campion, Degree, Flory, Kitchel, Lyons, Mazza, McCormack, Nitka, Rodgers, Sears, White.

The Senator absent and not voting was: McAllister (suspended).

Thereupon, the bill was read the third time and passed, on a roll call Yeas 29, Nays 0.

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: Ashe, Ayer, Balint, Baruth, Benning, Bray, Campbell, Campion, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: McAllister (suspended).

Bill Passed in Concurrence with Proposal of Amendment

H. 249.

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

An act relating to intermunicipal services.

Proposal of Amendment; Bill Passed in Concurrence with Proposals of Amendment

H. 297.

House bill entitled:

An act relating to the sale of ivory or rhinoceros horn.

Was taken up.

Thereupon, pending third reading of the bill, Senator Baruth moved to amend the Senate proposal of amendment as follows:

First: In Sec. 1, 10 V.S.A. § 7701, by adding a new subdivision (a)(8) to read as follows:

(8) "Legally acquired" means the product was acquired by the current owner in compliance with applicable federal laws and regulations regarding the import and sale of the specific product.

Second: In Sec. 1, 10 V.S.A. § 7701, in subdivision (c)(1), by adding a subparagraph (D) to read as follows:

(D) A person transporting legally acquired ivory from a point outside this State through the State.

Which was agreed to.

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

Bill Passed in Concurrence

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

H. 399. An act relating to the Department for Children and Families' Registry Review Unit.

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 proposals of amendment:

H. 512. An act relating to adequate shelter of dogs and cats.

H. 761. An act relating to cataloguing and aligning health care performance measures.

H. 854. An act relating to timber trespass.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 860.

House bill entitled:

An act relating to on-farm livestock slaughter.

Was taken up.

Thereupon, pending third reading of the bill, Senator Starr moved to amend the Senate proposal of amendment in Sec. 1, 6 V.S.A.§ 3311a, in subdivision (c)(8), by striking out all after the subdivision designation and before the first period and inserting in lieu thereof the following:

the farmer who sold the livestock to the individual maintains a record of each slaughter conducted under this subsection and reports quarterly to the Secretary, on a form provided by the Secretary, on or before ~~the 15th day of each month regarding all slaughter activity conducted under this subsection in the previous month~~ April 15 for the calendar quarter ending March 31, on or before July 15 for the calendar quarter ending June 30, on or before October 15 for the calendar quarter ending September 30, and on or before January 15 for the calendar quarter ending December 31

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. 861.

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

An act relating to regulation of treated article pesticides.

Third Reading Ordered

H. 608.

Senator Riehle, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to solid waste management.

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.

Proposal of Amendment; Third Reading Ordered

H. 112.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to access to financial records in adult protective services investigations.

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. § 6911 is amended to read:

§ 6911. RECORDS OF ABUSE, NEGLECT, AND EXPLOITATION

(a)(1) Information obtained through reports and investigations, including the identity of the reporter, shall remain confidential and shall not be released absent a court order, except as follows:

~~(1)~~(A) The investigative report shall be disclosed only to: the Commissioner or person designated to receive such records; persons assigned by the Commissioner to investigate reports; the person reported to have abused, neglected, or exploited a vulnerable adult; the vulnerable adult or his or her representative; the Office of Professional Regulation when deemed appropriate by the Commissioner; the Secretary of Education when deemed appropriate by the Commissioner; the Commissioner for Children and Families or designee~~,~~ for purposes of review of expungement petitions filed pursuant to section 4916c of this title; the Commissioner of Financial Regulation when deemed appropriate by the Commissioner for an investigation related to financial exploitation; a law enforcement agency; the State's Attorney, or the Office of the Attorney General, when the Department believes there may be grounds for criminal prosecution or civil enforcement action, or in the course of a criminal or a civil investigation. When disclosing information pursuant to this subdivision, reasonable efforts shall be made to limit the information to the minimum necessary to accomplish the intended purpose of the disclosure, and no other information, including the identity of the reporter, shall be released absent a court order.

~~(2)~~(B) Relevant information may be disclosed to the Secretary of Human Services, or the Secretary's designee, for the purpose of remediating or preventing abuse, neglect, or exploitation; to assist the Agency in its monitoring and oversight responsibilities; and in the course of a relief from abuse proceeding, guardianship proceeding, or any other court proceeding when the Commissioner deems it necessary to protect the victim, and the victim or his or her representative consents to the disclosure. When disclosing information pursuant to this subdivision, reasonable efforts shall be made to limit the information to the minimum necessary to accomplish the intended purpose of the disclosure, and no other information, including the identity of the reporter, shall be released absent a court order.

(2) Notwithstanding subdivision (1)(A) of this subsection, financial information made available to an adult protective services investigator pursuant to section 6915 of this title may be used only in a judicial or

administrative proceeding or investigation directly related to a report required or authorized under this chapter. Relevant information may be disclosed to the Secretary of Human Services pursuant to subdivision (1)(B) of this subsection, and may also be disclosed to the Commissioner of Financial Regulation when the investigation relates to financial exploitation of a vulnerable adult.

* * *

Sec. 2. 33 V.S.A. § 6915 is added to read:

§ 6915. ACCESS TO FINANCIAL INFORMATION

(a) As used in this chapter:

(1) "A person having custody or control of the financial information" means:

(A) a bank as defined in 8 V.S.A. § 11101;

(B) a credit union as defined in 8 V.S.A. § 30101;

(C) a broker-dealer or investment advisor, as those terms are defined in 9 V.S.A. § 5102; or

(D) a mutual fund as defined in 8 V.S.A. § 3461.

(2) "Capacity" means an individual's ability to make and communicate a decision regarding the issue that needs to be decided.

(3) "Financial information" means an original or copy of, or information derived from:

(A) a document that grants signature authority over an account held at a financial institution;

(B) a statement, ledger card, or other record of an account held at a financial institution that shows transactions in or with respect to that account;

(C) a check, clear draft, or money order that is drawn on a financial institution or issued and payable by or through a financial institution;

(D) any item, other than an institutional or periodic charge, that is made under an agreement between a financial institution and another person's account held at a financial institution;

(E) any information that relates to a loan account or an application for a loan;

(F) information pertaining to an insurance or endowment policy, annuity contract, contributory or noncontributory pension fund, mutual fund, or security, as defined in 9 V.S.A. § 5102; or

(G) evidence of a transaction conducted by electronic or telephonic means.

(4) "Financial institution" means any financial services provider licensed, registered, or otherwise authorized to do business in Vermont, including a bank, credit union, broker-dealer, investment advisor, mutual fund, or investment company.

(b) A person having custody or control of the financial information of a vulnerable adult shall make the information or a copy of the information available to an adult protective services investigator upon receipt of a court order or receipt of the investigator's written request.

(1) The request shall include a statement signed by the account holder, if he or she has capacity, or the account holder's guardian with financial powers or agent under a power of attorney consenting to the release of the information to the investigator.

(2) If the vulnerable adult lacks capacity and does not have a guardian or agent, or if the vulnerable adult lacks capacity and his or her guardian or agent is the alleged perpetrator, the request shall include a statement signed by the investigator asserting that all of the following conditions exist:

(A) The account holder is an alleged victim of abuse, neglect, or financial exploitation.

(B) The alleged victim lacks the capacity to consent to the release of the financial information.

(C) Law enforcement is not involved in the investigation or has not requested a subpoena for the information.

(D) The alleged victim will suffer imminent harm if the investigation is delayed while the investigator obtains a court order authorizing the release of the information.

(E) Immediate enforcement activity that depends on the information would be materially and adversely affected by waiting until the alleged victim regains capacity.

(F) The Commissioner of Disabilities, Aging, and Independent Living has personally reviewed the request and confirmed that the conditions set forth in subdivisions (A) through (E) of this subdivision (2) have been met and that disclosure of the information is necessary to protect the alleged victim from abuse, neglect, or financial exploitation.

(c) If a guardian refuses to consent to the release of the alleged victim's financial information, the investigator may seek review of the guardian's

refusal by filing a motion with the Probate Division of the Superior Court pursuant to 14 V.S.A. § 3062(c).

(d) If an agent under a power of attorney refuses to consent to the release of the alleged victim's financial information, the investigator may file a petition in Superior Court pursuant to 14 V.S.A. § 3510(b) to compel the agent to consent to the release of the alleged victim's financial information.

(e) The investigator shall include a copy of the written request in the alleged victim's case file.

(f) The person having custody or control of the financial information shall not require the investigator to provide details of the investigation to support the request for production of the information.

(g) The information requested and released shall be used only to investigate the allegation of abuse, neglect, or financial exploitation or for the purposes set forth in subdivision 6911(a) (1)(B) of this title and shall not be used against the alleged victim.

(h) The person having custody or control of the financial information shall provide the information to the investigator as soon as possible but, absent extraordinary circumstances, no later than 10 business days following receipt of the investigator's written request or receipt of a court order or subpoena requiring disclosure of the information.

(i) A person who in good faith makes an alleged victim's financial information or a copy of the information available to an investigator in accordance with this section shall be immune from civil or criminal liability for disclosure of the information unless the person's actions constitute gross negligence, recklessness, or intentional misconduct. Nothing in this section shall be construed to provide civil or criminal immunity to a person suspected of having abused, neglected, or exploited a vulnerable adult.

(j) The person having custody or control of the financial information of an alleged victim may charge the Department of Disabilities, Aging, and Independent Living no more than the actual cost of providing the information to the investigator and shall not refuse to provide the information until payment is received. A financial institution shall not charge the Department for the information if the financial institution would not charge if the request for the information had been made directly by the account holder.

Sec. 3. 8 V.S.A. § 10204 is amended to read:

§ 10204. EXCEPTIONS

This subchapter does not prohibit any of the activities listed in this section. This section shall not be construed to require any financial institution to make

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

* * *

(25) Reports or disclosure of financial or other information to the Department of Disabilities, Aging, and Independent Living, pursuant to 33 V.S.A. §§ 6903(b) ~~and~~, 6904, and 6915.

Sec. 4. 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 access to financial information in adult protective services investigations.

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.

Proposals of Amendment; Third Reading Ordered

H. 171.

Senator Pollina, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to restrictions on the use of electronic cigarettes.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 7 V.S.A. § 1003(d), in subdivision (1)(B) after the following: "in a locked container" by striking out the following: that is not located on a sales counter

Second: In Sec. 2, 18 V.S.A. § 1421, in subsection (a) after the following: "tobacco substitutes" by inserting the following: as defined in 7 V.S.A. § 1001

Third: In Sec. 7, 23 V.S.A. § 1134b, in subsection (a) after the following: "tobacco substitute" by inserting the following: as defined in 7 V.S.A. § 1001

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, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 280.

Senator Baruth, for the Committee on Education, to which was referred House bill entitled:

An act relating to amending the State Board of Education rules on school lighting requirements.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, in subsection (b), by striking out the following: "August 1, 2015" and inserting in lieu thereof the following: August 1, 2016

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. 622.

Senator Pollina, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to obligations for reporting child abuse and neglect and cooperating in investigations of child abuse and neglect.

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. § 4913 is amended to read:

§ 4913. REPORTING CHILD ABUSE AND NEGLECT; REMEDIAL ACTION

* * *

(c) Any mandated reporter who reasonably suspects abuse or neglect of a child shall report in accordance with the provisions of section 4914 of this title within 24 hours of the time information regarding the suspected abuse or neglect was first received or observed.

* * *

(h)(1) A person who violates subsection ~~(a)~~(c) of this section shall be fined not more than $500.00.

(2) A person who violates subsection ~~(a)~~(c) of this section with the intent to conceal abuse or neglect of a child shall be imprisoned not more than six months or fined not more than $1,000.00, or both.

(3) This section shall not be construed to prohibit a prosecution under any other provision of law.

(4) It shall be an affirmative defense to a charge under subsection (c) of this section that the mandated reporter did not report in accordance with subsection (c) because the person had written confirmation that the same incident of suspected abuse or neglect was already reported and the mandated reporter was reasonably certain that he or she had no additional information to report. The burden shall be on the defendant to prove the affirmative defense by a preponderance of the evidence. The affirmative defense shall not apply to a person who violates subsection (c) of this section with the intent to conceal abuse or neglect of a child.

(5) Prior to charging a mandated reporter under subsection (c) of this section, the prosecutor shall make a reasonable inquiry into whether the mandated reporter had written confirmation that the same incident of suspected abuse or neglect was already reported and whether the mandated reporter was reasonably certain that he or she had no additional information to report.

(i) Except as provided in subsection ~~(h)~~(j) of this section, a person may not refuse to make a report required by this section on the grounds that making the report would violate a privilege or disclose a confidential communication.

(j) A member of the clergy shall not be required to make a report under this section if the report would be based upon information received in a communication which is:

(1) made to a member of the clergy acting in his or her capacity as spiritual advisor;

(2) intended by the parties to be confidential at the time the communication is made;

(3) intended by the communicant to be an act of contrition or a matter of conscience; and

(4) required to be confidential by religious law, doctrine, or tenet.

(k) When a member of the clergy receives information about abuse or neglect of a child in a manner other than as described in subsection ~~(h)~~(j) of this section, he or she is required to report on the basis of that information even

though he or she may have also received a report of abuse or neglect about the same person or incident in the manner described in subsection ~~(h)~~(j) of this section.

Sec. 2. JOINT LEGISLATIVE CHILD PROTECTION OVERSIGHT COMMITTEE; 2016 INTERIM RESPONSIBILITIES; PRIVILEGED COMMUNICATIONS

During the 2016 legislative interim, the Joint Legislative Child Protection Oversight Committee shall:

(1) review issues related to patient privilege, confidentiality of patient records and information, and the statutes and rules governing professional conduct; and

(2) analyze the extent to which those professional obligations identified in subdivision (1) interfere with the ability of certain professional mandated reporters to cooperate with the Department for Children and Families, law enforcement, and prosecutors during an ongoing child protection assessment, investigation, or proceeding.

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.

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. 677.

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

An act relating to the Restitution Unit.

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. § 7043(n) is amended to read:

(n)(1) Any monies owed by the State to an offender who is under a restitution order, including lottery winnings, unclaimed property, and tax refunds, shall be used to discharge the restitution order to the full extent of the

unpaid total financial losses, regardless of the payment schedule established by the Courts.

(2) The Office of the Treasurer shall, prior to delivery or payment of unclaimed property valued at $50.00 or more to a claimant pursuant to 27 V.S.A. § 1255, determine whether the claimant has an outstanding restitution order.

(A) The Restitution Unit shall inform the Treasurer of persons with outstanding restitution orders. Each person subject to such an order shall be identified by name and Social Security or federal identification number.

(B) If any such claimant owes restitution, the Restitution Unit, after notice to the owner, may request and the Treasurer shall transfer unclaimed property of such owner valued at $50.00 or more to the Restitution Unit to be applied to the amount of restitution owed. The notice shall advise the owner of the action being taken and, if he or she is not the person liable under the Restitution Judgment Order, the right to appeal the setoff; or advise the owner if the underlying conviction was vacated or is under appeal.

(3) When an offender is entitled to a tax refund, any restitution owed by the offender shall be withheld from the refund pursuant to 32 V.S.A. chapter 151, subchapter 12.

~~(3)~~(4)(A) For all Vermont lottery games, the Lottery Commission shall, before issuing prize money of $500.00 or more to a winner, determine whether the winner has an outstanding restitution order. If the winner owes restitution, the Lottery Commission shall withhold the entire amount of restitution owed and pay it to the Restitution Unit. The remainder of the winnings, if any, shall be sent to the winner. The winner shall be notified by the Restitution Unit of the offset prior to payment to the victim and given a period not to exceed 20 days to contest the accuracy of the information.

(B) The Restitution Unit shall inform the Lottery Commission of persons with outstanding restitution orders upon request. Each person subject to such an order shall be identified by name, address, and Social Security number.

(C) If a lottery winner has an outstanding restitution order and an outstanding child support order, the lottery winnings shall be offset first pursuant to 15 V.S.A. § 792 by the amount of child support owed, and second pursuant to this subsection by the amount of restitution owed. The remainder of the winnings, if any, shall be sent to the winner.

~~(4)~~(5) Unless otherwise provided, monies paid under this subsection shall be paid directly to the Restitution Unit.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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. 690.

Senator Ayer, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to the practice of acupuncture by physicians, osteopaths, and physician assistants.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 26 V.S.A. § 3402, by striking out subsection (f) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) This chapter shall not be construed to limit or restrict in any way the right of a licensed practitioner of a health care profession regulated under this title from performing services within the scope of his or her professional practice.

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

An act relating to the practice of acupuncture by health care professionals acting within their scope of practice.

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.

Consideration Resumed; Proposal of Amendment; Third Reading Ordered

H. 829.

Consideration was resumed on House bill entitled:

An act relating to water quality on small farms.

Thereupon, the pending question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Agriculture?, was agreed to.

Thereupon, third reading of the bill was ordered.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock in the afternoon on Thursday, April 21, 2016.

THURSDAY, APRIL 21, 2016

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. 54

A message was received from the House of Representatives by Mr. Jeremy Weiss, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 881. An act relating to approval of the adoption and codification of the charter of the Town of Charlotte.

H. 884. An act relating to approval of amendments to the charter of the City of Barre.

In the passage 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. 52. Joint resolution relating to weekend adjournment .

And has adopted the same in concurrence.

The Governor has informed the House that on April 19, 2016, he approved and signed bills originating in the House of the following titles:

H. 248. An act relating to miscellaneous revisions to the air pollution statutes.

H. 531. An act relating to aboveground storage tanks.

H. 747. An act relating to the State Treasurer's authority to intercept State funding to a municipality or school district in default from a Municipal Bond Bank borrowing.

Rules Suspended; Bill Committed

H. 876.

Pending entry on the Calendar for notice, on motion of Senator Mazza, the rules were suspended and House bill entitled:

An act relating to the transportation capital program and miscellaneous changes to transportation-related law.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Transportation, Senator Mazza moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Transportation *intact*,

Which was agreed to.

Bill Referred to Committee on Finance

H. 853.

House bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to setting the nonresidential property tax rate, the property dollar equivalent yield, and the income dollar equivalent yield for fiscal year 2017, and other education changes.

Bill Referred

House bill of the following title:

H. 863. An act relating to making miscellaneous amendments to Vermont's retirement laws.

Was taken up and pursuant to Temporary Rule 44A was referred to the Committee on Government Operations.

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 881. An act relating to approval of the adoption and codification of the charter of the Town of Charlotte.

To the Committee on Rules pursuant to Temporary Rule 44A.

H. 884. An act relating to approval of amendments to the charter of the City of Barre.

To the Committee on Rules pursuant to Temporary Rule 44A.

Bill Passed in Concurrence with Proposal of Amendment

H. 112.

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

An act relating to access to financial records in adult protective services investigations.

Proposal of Amendment; Bill Passed in Concurrence with Proposals of Amendment

H. 171.

House bill entitled:

An act relating to restrictions on the use of electronic cigarettes.

Was taken up.

Thereupon, pending third reading of the bill, Senators Ashe and White moved to amend the Senate proposal of amendment as follows:

First: In Sec. 2, 18 V.S.A. § 1421, in subdivision (b)(4), by designating the existing language to be subparagraph (A) and by adding a subparagraph (B) to read as follows:

(B) The prohibition on possession of lighted tobacco products and use of tobacco substitutes in a workplace shall not apply to any enclosed indoor areas, including the sleeping quarters and adjoining rooms, of an owner-operated lodging establishment that does not have employees who work inside the building and is clearly identified as a smoking facility.

Second: In Sec. 4, 18 V.S.A. § 1742, in subdivision (a)(2), following the word "guests", by inserting before the semicolon "; provided, however, that possession of lighted tobacco products and use of tobacco substitutes is permitted in all enclosed indoor areas, including the sleeping quarters and adjoining rooms, of an owner-operated lodging establishment that does not have employees who work inside the building and is clearly identified as a smoking facility.

Third: In Sec. 4, 18 V.S.A. § 1742, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) ~~The possession of lighted tobacco products in any form is prohibited on the grounds of any hospital or secure residential recovery facility owned or operated by the state, including all enclosed places in the hospital or facility and the surrounding outdoor property.~~

(1) The possession of lighted tobacco products and use of tobacco substitutes is prohibited in all enclosed indoor areas of hospitals and secure residential recovery facilities owned or operated by the State and residential facilities with which the State contracts to provide mental health or substance abuse treatment services, or both.

(2) Notwithstanding any provision of subsection (a) of this section to the contrary, the possession of lighted tobacco products and use of tobacco substitutes is permitted on the outdoor property surrounding hospitals and secure residential recovery facilities owned or operated by the State and residential facilities with which the State contracts to provide mental health or substance abuse treatment services, or both.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senators Ashe and White?, pursuant to Rule 67, Senator Baruth requested that the *third* proposal of amendment be divided.

Thereupon, Senator White moved to amend the *first* proposal of amendment in Sec. 2, 18 V.S.A. § 1421(b)(4)(B) at the end of the subparagraph by adding before the period the following: and is clearly identified as a smoking facility and in the *second* proposal of amendment after the words "inside the building" by adding the following: and is clearly identified as a smoking facility

Which was agreed to.

Thereupon, the question, Shall the Senate proposal of Amendment be amended as recommended in the *first* and *second* proposals of amendment, as amended, by Senators Ashe and White?, was disagreed to on a roll call, Yeas 3, Nays 26.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Collamore, White.

Those Senators who voted in the negative were: Ayer, Balint, Baruth, Benning, Bray, Campbell, Campion, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, Zuckerman.

The Senator absent and not voting was: McAllister (suspended).

Thereupon, the *third* proposal of amendment was disagreed to on a division of the Senate, Yeas 12, Nays 16.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment on a roll call, Yeas 24, Nays 5.

Senator Mullin 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, Balint, Baruth, Bray, Campbell, Campion, Cummings, Degree, Doyle, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pollina, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, Zuckerman.

Those Senators who voted in the negative were: Benning, Collamore, Flory, Mullin, White.

The Senator absent and not voting was: McAllister (suspended).

Proposed Amendment to the Constitution Disagreed To

Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 1,

PROPOSAL 1

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont to specifically provide that each person has a right to privacy, including the right to keep personal information private; to communicate with others privately; and to make decisions concerning his or her body.

Sec. 2. Article 22 of Chapter I of the Vermont Constitution is added to read:

Article 22. [RIGHT TO PRIVACY]

That each person has a right to privacy, including the right to keep personal information private; to communicate with others privately; and to make decisions concerning his or her body.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2018 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

Thereupon, Proposal 1, having appeared on the Calendar for five legislative days pursuant to Rule 77, was read the second time in full pursuant to Rule 77.

Senator Benning, for the Committee on Government Operations, to which was referred the proposed amendment, reported recommending that the Senate accept and adopt the following proposal of amendment to the Constitution of the State of Vermont designated as Proposal 1 as herein submitted by the Committee on Government Operations, with the following amendment thereto:

PROPOSAL 1

Sec. 1. PURPOSE

This proposal would amend the Constitution of the State of Vermont specifically to provide that each individual has a right to privacy, including the right to keep personal information private; to communicate with others privately; and to make decisions concerning his or her body.

Sec. 2. Chapter I, Article 22 of the Vermont Constitution is added to read:

Article 22. [RIGHT TO PRIVACY]

That each individual has a right to privacy that shall not be infringed without the showing of a compelling State interest. This right includes the individual's right to keep personal information private; to communicate with others privately; and to make decisions concerning his or her body. This section shall not be construed to modify the public's right of access to public records and open meetings as provided by law.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2018 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

And that when so amended the Senate ought to adopt the Proposal and request that the House of Representatives concur therein.

Thereupon, pending the question, Shall the Proposed Amendment to the Constitution designated as Proposal 1 be amended as recommended by the Committee on Government Operations?, Senator Sears moved that the Proposal 1 be committed to the Judiciary Committee.

Thereupon, pending the question, Shall the bill be committed to the Committee on Judiciary?, Senator Sears requested and was granted leave to withdraw the motion.

Thereupon, pending the question, Shall the Proposed Amendment to the Constitution designated as Proposal 1 be amended as recommended by the

Committee on Government Operations?, was disagreed to on a roll call pursuant to Rule 77, Yeas 14, Nays 15 (the necessary majority vote not having been attained).

Roll Call

Those Senators who voted in the affirmative were: Ayer, Baruth, Benning, Cummings, Doyle, Lyons, MacDonald, McCormack, Nitka, Pollina, Riehle, Sirotkin, White, Zuckerman.

Those Senators who voted in the negative were: Ashe, Balint, Bray, Campbell, Campion, Collamore, Degree, Flory, Kitchel, Mazza, Mullin, Rodgers, Sears, Starr, Westman.

The Senator absent and not voting was: McAllister (suspended).

Thereupon, the question, Shall Proposal 1 be adopted on the part of the Senate?, was disagreed to on a roll call pursuant to Rule 77, Yeas 10, Nays 19 (the necessary majority vote not having been attained).

Roll Call

Those Senators who voted in the affirmative were: Ayer, Baruth, Benning, Cummings, Doyle, Lyons, MacDonald, McCormack, Pollina, White.

Those Senators who voted in the negative were: Ashe, Balint, Bray, Campbell, Campion, Collamore, Degree, Flory, Kitchel, Mazza, Mullin, Nitka, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, Zuckerman.

The Senator absent and not voting was: McAllister (suspended).

Bill Passed in Concurrence

H. 608.

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

An act relating to solid waste management.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 280. An act relating to amending the State Board of Education rules on school lighting requirements.

H. 595. An act relating to potable water supplies from surface waters.

H. 622. An act relating to obligations for reporting child abuse and neglect and cooperating in investigations of child abuse and neglect.

H. 677. An act relating to the Restitution Unit.

H. 690. An act relating to the practice of acupuncture by physicians, osteopaths, and physician assistants.

H. 829. An act relating to water quality on small farms.

Third Reading Ordered

H. 580.

Senator MacDonald, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to conservation easements.

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.

Proposal of Amendment; Third Reading Ordered

H. 183.

Senator Flory, for the Committee on Institutions, to which was referred House bill entitled:

An act relating to security in the Capitol Complex.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 2 V.S.A. chapter 30, § 991, in subsection (b), subdivision (2), by striking out subsection (b), subdivision (2) in its entirety and inserting in lieu thereof the following:

(2) In the first year, the Chair of the House Committee on Corrections and Institutions shall serve as Chair of the Committee and the Chair of the Senate Committee on Institutions shall serve as Vice Chair. Annually thereafter, the offices of Chair and Vice Chair shall rotate between the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

And that the bill ought to pass in concurrence with such proposal 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 proposal of amendment as recommended by the Committee on Institutions.

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. 367.

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to miscellaneous revisions to the municipal plan adoption, amendment, and update process.

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. 24 V.S.A. § 4350 is amended to read:

§ 4350. REVIEW AND CONSULTATION REGARDING MUNICIPAL PLANNING EFFORT

(a) A regional planning commission shall consult with its municipalities with respect to the municipalities' planning efforts, ascertaining the municipalities' needs as individual municipalities and as neighbors in a region, and identifying the assistance that ought to be provided by the regional planning commission. As a part of this consultation, the regional planning commission, after public notice, shall review the planning process of its member municipalities at least twice during an eight-year period, or more frequently on request of the municipality, and shall so confirm when a municipality:

(1) is engaged in a continuing planning process that, within a reasonable time, will result in a plan ~~which~~ that is consistent with the goals contained in section 4302 of this title; ~~and~~

(2) is engaged in a process to implement its municipal plan, consistent with the program for implementation required under section 4382 of this title; and

(3) is maintaining its efforts to provide local funds for municipal and regional planning purposes.

(b)(1) As part of the consultation process, the commission shall consider whether a municipality has adopted a plan. In order to obtain or retain confirmation of the planning process ~~after January 1, 1996~~, a municipality must have an approved plan. A regional planning commission shall review and approve plans of its member municipalities, when approval is requested and warranted. Each review shall include a public hearing which is noticed at least 15 days in advance by posting in the office of the municipal clerk and at least one public place within the municipality and by publication in a

newspaper or newspapers of general publication in the region affected. The commission shall approve a plan if it finds that the plan:

(A) is consistent with the goals established in section 4302 of this title;

(B) is compatible with its regional plan;

(C) is compatible with approved plans of other municipalities in the region; and

(D) contains all the elements included in subdivisions 4382(a)(1)-~~(10)~~(12) of this title.

~~(2) Prior to January 1, 1996, if a plan contains all the elements required by subdivisions 4382(a)(1)-(10) and is submitted to the regional planning commission for approval but is not approved, it shall be conditionally approved.~~

~~(c)~~(2) A commission shall give approval or disapproval to a municipal plan or amendment within two months of its receipt following a final hearing held pursuant to section 4385 of this title. The fact that the plan is approved after the deadline shall not invalidate the plan. If the commission disapproves the plan or amendment, it shall state its reasons in writing and, if appropriate, suggest acceptable modifications. Submissions for approval that follow a disapproval shall receive approval or disapproval within 45 days.

~~(d)~~(3) The commission shall file any adopted plan or amendment with the Department of Housing and Community Development within two weeks of receipt from the municipality. Failure on the part of the commission to file the plan shall not invalidate the plan.

(c) In order to retain confirmation of the planning process, a municipality shall document that it has reviewed and is actively engaged in a process to implement its adopted plan.

(1) When assessing whether a municipality has been actively engaged in a process to implement its adopted plan, the regional planning commission shall consider the activities of local boards and commissions with regard to the preparation or adoption of bylaws and amendments; capital budgets and programs; supplemental plans; or other actions, programs, or measures undertaken or scheduled to implement the adopted plan. The regional planning commission shall also consider factors that may have hindered or delayed municipal implementation efforts.

(2) The consultation may include guidance by the regional planning commission with regard to resources and technical support available to the municipality to implement its adopted plan and recommendations by the

regional planning commission for plan amendments and for updating the plan prior to readoption under section 4387 of this title.

~~(e)~~(d) During the period of time when a municipal planning process is confirmed:

(1) The municipality's plan will not be subject to review by the Commissioner of Housing and Community Development under section 4351 of this title.

(2) State agency plans adopted under 3 V.S.A. chapter 67 shall be compatible with the municipality's approved plan. ~~This provision shall not apply to plans that are conditionally approved under this chapter.~~

(3) The municipality may levy impact fees on new development within its borders, according to the provisions of chapter 131 of this title.

(4) The municipality shall be eligible to receive additional funds from the municipal and regional planning fund.

~~(f)~~(e) Confirmation and approval decisions under this section shall be made by majority vote of the commissioners representing municipalities, in accordance with the bylaws of the regional planning commission.

Sec. 2. 24 V.S.A. § 4385 is amended to read:

§ 4385. ADOPTION AND AMENDMENT OF PLANS; HEARING BY LEGISLATIVE BODY

* * *

(d) Plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the municipality. An amendment to a plan does not affect or extend the plan's expiration date.

Sec. 3. 24 V.S.A. § 4387 is amended to read:

§ 4387. READOPTION OF PLANS

(a) All plans, including all prior amendments, shall expire every ~~five~~ eight years unless they are readopted according to the procedures in section 4385 of this title.

(b)(1) A municipality may readopt any plan that has expired or is about to expire. Prior to any readoption, the planning commission shall review and update the information on which the plan is based, and shall consider this information in evaluating the continuing applicability of the plan. In its review, the planning commission shall:

(A) consider the recommendations of the regional planning commission provided pursuant to subdivision 4350(c)(2) of this title;

(B) engage in community outreach and involvement in updating the plan;

(C) consider consistency with the goals established in section 4302 of this title;

(D) address the required plan elements under section 4382 of this title;

(E) evaluate the plan for internal consistency among plan elements, goals, objectives, and community standards;

(F) address compatibility with the regional plan and the approved plans of adjoining municipalities; and

(G) establish a program and schedule for implementing the plan.

(2) The readopted plan shall remain in effect for the ensuing ~~five~~ eight years unless earlier readopted.

(c) Upon the expiration of a plan, all bylaws and capital budgets and programs then in effect shall remain in effect, but shall not be amended until a plan is in effect.

(d) The fact that a plan has not been approved shall not make it inapplicable, except as specifically provided by this chapter. Bylaws, capital budgets, and programs shall remain in effect, even if the plan has not been approved.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2016. The eight-year expiration date for municipal plans applies to plans adopted or readopted on or after July 1, 2015. Plans adopted or readopted before July 1, 2015 shall expire in accordance with section 4387 of this title as it existed on the date of adoption or readoption.

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; Bill Committed

H. 863.

Pending entry on the Calendar for notice, on motion of Senator White, the rules were suspended and House bill entitled:

An act relating to making miscellaneous amendments to Vermont's retirement laws.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Government Operations, Senator White moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Government Operations *intact*,

Which was agreed to.

Bill Called Up

H. 74.

House bill of the following title was called up by Senator Ayer, and, under the rule, placed on the Calendar for action tomorrow:

An act relating to safety protocols for social and mental health workers.

Message from the House No. 55

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 214. An act relating to large group insurance.

S. 256. An act relating to extending the moratorium on home health agency certificates of need.

And has passed the same in concurrence.

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

S. 114. An act relating to the Open Meeting Law.

S. 116. An act relating to rights of offenders in the custody of the Department of Corrections.

S. 225. An act relating to miscellaneous changes 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 Senate proposals of amendment to the following House bills:

H. 135. An act relating to enabling the Vermont Department of Health to reach an agreement with the Nuclear Regulatory Commission regarding authority over regulation and licensing of radioactive material.

H. 539. An act relating to establishment of a Pollinator Protection Committee.

H. 674. An act relating to public notice of wastewater discharges.

H. 765. An act relating to technical corrections.

H. 824. An act relating to the adoption of occupational safety and health rules and standards.

And has severally concurred therein.

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

H. 778. An act relating to State enforcement of the federal Food Safety Modernization 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.

Adjournment

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

FRIDAY, APRIL 22, 2016

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations

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:

H. 878.

An act relating to capital construction and State bonding budget adjustment.

Proposal of Amendment; Third Reading Ordered

H. 95.

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

An act relating to jurisdiction over delinquency proceedings by the Family Division of the Superior Court.

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:

* * * Effective July 1, 2018 * * *

Sec. 1. 33 V.S.A. § 5280 is added to read:

§ 5280. COMMENCEMENT OF YOUTHFUL OFFENDER PROCEEDINGS IN THE FAMILY DIVISION

(a) A proceeding under this subchapter shall be commenced by:

(1) the filing of a youthful offender petition by a State's Attorney; or

(2) transfer to the Family Court of a proceeding from the Criminal Division of the Superior Court as provided in section 5281 of this title.

(b) A State's Attorney may commence a proceeding in the Family Division of the Superior court concerning a child who is alleged to have committed an offense after attaining 16 years of age, but not 22 years of age that could otherwise be filed in the Criminal Division.

(c) If a State's Attorney files a petition under subdivision (a)(1) of this section, the case shall proceed as provided under subsection 5281(b) of this title.

Sec. 2. 33 V.S.A. § 5281 is amended to read:

§ 5281. MOTION IN CRIMINAL DIVISION OF SUPERIOR COURT

(a) A motion may be filed in the Criminal Division of the Superior Court requesting that a defendant under ~~18~~ 22 years of age in a criminal proceeding who had attained ~~the age of 10~~ 12 years of age but not ~~the age of 18~~ 22 years of age at the time the offense is alleged to have been committed be treated as a youthful offender. The motion may be filed by the State's Attorney, the defendant, or the Court on its own motion.

(b) Upon the filing of a motion under this section ~~and the entering of a conditional plea of guilty by the youth, the Criminal Division shall enter an order deferring the sentence and transferring the case to~~ or the filing of a youthful offender petition pursuant to § 5280 of this title, the Family Division

~~for~~ shall hold a hearing ~~on the motion~~ pursuant to § 5283 of this title. Copies of all records relating to the case shall be forwarded to the Family Division. Conditions of release and any Department of Corrections supervision or custody shall remain in effect until the Family Division ~~approves the motion~~ accepts the case for treatment as a youthful offender and orders conditions of juvenile probation pursuant to section 5284 of this title, or the case is otherwise concluded.

(c) ~~A plea of guilty entered by the youth pursuant to subsection (b) of this section shall be conditional upon the Family Division granting the motion for youthful offender status.~~

~~(d)~~(1) If the Family Division ~~denies the motion~~ rejects the case for youthful offender treatment pursuant to subsection 5284 of this title, the case shall be ~~returned~~ transferred to the Criminal Division~~, and the youth shall be permitted to withdraw the plea~~. The conditions of release imposed by the Criminal Division shall remain in effect, and the case shall proceed as though the motion for youthful offender treatment or youthful offender petition had not been ~~made~~ filed.

(2) Subject to Rule 11 of the Vermont Rules of Criminal Procedure and Rule 410 of the Vermont Rules of Evidence, the Family Division's denial of the motion for youthful offender treatment and any information related to the youthful offender proceeding shall be inadmissible against the youth for any purpose in the subsequent Criminal Division proceeding.

(d) If the Family Division accepts the case for youthful offender treatment, the case shall proceed to a confidential merits hearing or admission pursuant to sections 5227–5229 of this title. If the youth is adjudicated, the Court will create a criminal case reflecting the charge and conviction.

Sec. 3. 33 V.S.A. § 5282 is amended to read:

§ 5282. REPORT FROM THE DEPARTMENT

(a) Within 30 days after the case is transferred to the Family Division or a youthful offender petition is filed in the Family Division, unless the Court extends the period for good cause shown, the Department shall file a report with the Family Division of the Superior Court.

(b) A report filed pursuant to this section shall include the following elements:

(1) a recommendation as to whether youthful offender status is appropriate for the youth;

(2) a disposition case plan including proposed services and proposed conditions of juvenile probation in the event youthful offender status is approved and the youth is adjudicated;

(3) a description of the services that may be available for the youth when he or she reaches 18 years of age.

(c) A report filed pursuant to this section is privileged and shall not be disclosed to any person other than the Department, the Court, the State's Attorney, the youth, the youth's attorney, the youth's guardian ad litem, the Department of Corrections, or any other person when the Court determines that the best interests of the youth would make such a disclosure desirable or helpful.

Sec. 4. 33 V.S.A. § 5283 is amended to read:

§ 5283. HEARING IN FAMILY DIVISION

(a) Timeline. A hearing on the motion for youthful offender status shall be held no later than 35 days after the transfer of the case from the Criminal Division or filing of a youthful offender petition in the Family Division.

(b) Notice. Notice of the hearing shall be provided to the State's Attorney; the youth; the youth's parent, guardian, or custodian; the Department; and the Department of Corrections.

(c) Hearing procedure.

(1) If the motion is contested, all parties shall have the right to present evidence and examine witnesses. Hearsay may be admitted and may be relied on to the extent of its probative value. If reports are admitted, the parties shall be afforded an opportunity to examine those persons making the reports, but sources of confidential information need not be disclosed.

(2) Hearings under subsection 5284(a) of this title shall be open to the public. All other youthful offender proceedings shall be confidential.

(d) The burden of proof shall be on the moving party to prove by a preponderance of the evidence that a child should be granted youthful offender status. If the Court makes the motion, the burden shall be on the youth.

(e) Further hearing. On its own motion or the motion of a party, the Court may schedule a further hearing to obtain reports or other information necessary for the appropriate disposition of the case.

Sec. 5. 33 V.S.A. § 5284 is amended to read:

§ 5284. YOUTHFUL OFFENDER DETERMINATION AND DISPOSITION ORDER

(a) In a hearing on a motion for youthful offender status, the Court shall first consider whether public safety will be protected by treating the youth as a youthful offender. If the Court finds that public safety will not be protected by treating the youth as a youthful offender, the Court shall deny the motion and ~~return~~ transfer the case to the Criminal Division of the Superior Court pursuant to subsection 5281(d) of this title. If the Court finds that public safety will be protected by treating the youth as a youthful offender, the Court shall proceed to make a determination under subsection (b) of this section.

(b)(1) The Court shall deny the motion if the Court finds that:

(A) the youth is not amenable to treatment or rehabilitation as a youthful offender; or

(B) there are insufficient services in the juvenile court system and the Department to meet the youth's treatment and rehabilitation needs.

(2) The Court shall grant the motion if the Court finds that:

(A) the youth is amenable to treatment or rehabilitation as a youthful offender; and

(B) there are sufficient services in the juvenile court system and the Department to meet the youth's treatment and rehabilitation needs.

(c) If the Court approves the motion for youthful offender treatment after an adjudication pursuant to subsection 5281(d) of this title, the Court:

(1) shall approve a disposition case plan and impose conditions of juvenile probation on the youth; and

(2) may transfer legal custody of the youth to a parent, relative, person with a significant relationship with the youth, or Commissioner, provided that any transfer of custody shall expire on the youth's 18th birthday.

(d) The Department shall be responsible for supervision of and providing services to the youth until he or she reaches ~~the age of~~ 18 years of age. A lead case manager shall be designated who shall have final decision-making authority over the case plan and the provision of services to the youth. The youth shall be eligible for appropriate community-based programming and services provided by the Department.

(e) The youth shall not be permitted to withdraw his or her plea of guilty after youthful offender status is approved except to correct manifest injustice pursuant to Rule 32(d) of the Vermont Rules of Criminal Procedure.

* * * Effective January 1, 2018 * * *

Sec. 6. 33 V.S.A. § 5103 is amended to read:

§ 5103. JURISDICTION

(a) The Family Division of the Superior Court shall have exclusive jurisdiction over all proceedings concerning a child who is or who is alleged to be a delinquent child or a child in need of care or supervision brought under the authority of the juvenile judicial proceedings chapters, except as otherwise provided in such chapters.

(b) Orders issued under the authority of the juvenile judicial proceedings chapters shall take precedence over orders in other Family Division proceedings and any order of another court of this State, to the extent they are inconsistent. This section shall not apply to child support orders in a divorce, parentage, or relief from abuse proceedings until a child support order has been issued in the juvenile proceeding.

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child's 18th birthday.

(2)(A) Jurisdiction over a child who has been adjudicated delinquent may be extended until six months beyond the child's ~~18th~~ 19th birthday if ~~the offense for which the child has been adjudicated delinquent is a nonviolent misdemeanor and~~ the child was 16 or 17 years old when he or she committed the offense.

(B) In no case shall custody of a child ~~aged~~ 18 years of age or older be retained by or transferred to the Commissioner for Children and Families.

(C) Jurisdiction over a child in need of care or supervision shall not be extended beyond the child's 18th birthday.

~~(D) As used in this subdivision, "nonviolent misdemeanor" means a misdemeanor offense which is not a listed crime as defined in 13 V.S.A. § 5301(7), an offense involving sexual exploitation of children in violation of 13 V.S.A. chapter 64, or an offense involving violation of a protection order in violation of 13 V.S.A. § 1030.~~

(d) The Court may terminate its jurisdiction over a child prior to the child's 18th birthday by order of the Court. If the child is not subject to another juvenile proceeding, jurisdiction shall terminate automatically in the following circumstances:

(1) upon the discharge of a child from juvenile probation, providing the child is not in the legal custody of the Commissioner;

(2) upon an order of the Court transferring legal custody to a parent, guardian, or custodian without conditions or protective supervision;

(3) upon the adoption of a child following a termination of parental rights proceeding.

Sec. 7. 33 V.S.A. § 5201 is amended to read:

§ 5201. COMMENCEMENT OF DELINQUENCY PROCEEDINGS

(a) Proceedings under this chapter shall be commenced by:

(1) transfer to the Court of a proceeding from another court as provided in section 5203 of this title; or

(2) the filing of a delinquency petition by a State's Attorney.

(b) If the proceeding is commenced by transfer from another court, no petition need be filed; however, the State's Attorney shall provide to the Court the name and address of the child's custodial parent, guardian, or custodian and the name and address of any noncustodial parent if known.

(c) Any proceeding concerning a child who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining 14 years of age, but not 18 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter.

(d) Any proceeding concerning a child who is alleged to have committed a misdemeanor offense before attaining ~~17~~ 18 years of age shall originate in the Family Division of the Superior Court.

(e) Any proceeding concerning a child who is alleged to have committed a felony offense other than those specified in subsection 5204(a) of this title before attaining ~~17~~ 18 years of age shall originate in the Family Division of the Superior Court provided that jurisdiction may be transferred in accordance with this chapter.

* * *

Sec. 8. 33 V.S.A. § 5203 is amended to read:

§ 5203. TRANSFER FROM OTHER COURTS

(a) If it appears to a Criminal Division of the Superior Court that the defendant was under ~~17~~ 18 years of age at the time the offense charged was alleged to have been committed and the offense charged is a misdemeanor, that Court shall forthwith transfer the case to the Family Division of the Superior Court under the authority of this chapter.

(b) If it appears to a Criminal Division of the Superior Court that the defendant was under ~~17~~ 18 years of age at the time a felony offense not listed in subsection 5204(a) of this title was alleged to have been committed, that Court shall forthwith transfer the proceeding to the Family Division of the Superior Court under the authority of this chapter, and the minor shall thereupon be considered to be subject to this chapter as a child charged with a delinquent act.

(c) If it appears to the State's Attorney that the defendant was ~~16~~ under 18 years of age at the time the felony offense charged was alleged to have been committed and the felony charged is not an offense specified in subsection 5204(a) of this title, the State's Attorney shall file charges in the Family Division of the Superior Court.

* * *

* * * Effective January 1, 2017 * * *

Sec. 9. 33 V.S.A. § 5201 is amended to read:

§ 5201. COMMENCEMENT OF DELINQUENCY PROCEEDINGS

(a) Proceedings under this chapter shall be commenced by:

(1) transfer to the Court of a proceeding from another court as provided in section 5203 of this title; or

(2) the filing of a delinquency petition by a State's Attorney.

(b) If the proceeding is commenced by transfer from another court, no petition need be filed; however, the State's Attorney shall provide to the Court the name and address of the child's custodial parent, guardian, or custodian and the name and address of any noncustodial parent if known.

(c) ~~Consistent with applicable provisions of Title 4, any~~ Any proceeding concerning a child who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining ~~the age of~~ 14 years of age, but not ~~the age of~~ 18 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter.

(d) Any proceeding concerning a child who is alleged to have committed a misdemeanor offense before attaining 17 years of age shall originate in the Family Division of the Superior Court.

(e) Any proceeding concerning a child who is alleged to have committed a felony offense other than those specified in subsection 5204(a) of this title before attaining 17 years of age shall originate in the Family Division of the Superior Court provided that jurisdiction may be transferred in accordance with this chapter.

(f) If the State requests that custody of the child be transferred to the Department, a temporary care hearing shall be held as provided in subchapter 3 of this chapter.

~~(e)~~(g) A petition may be withdrawn by the State's Attorney at any time prior to the hearing thereon, in which event the child shall be returned to the custodial parent, guardian, or custodian, the proceedings under this chapter terminated, and all files and documents relating thereto sealed under section 5119 of this title.

Sec. 10. 33 V.S.A. § 5203 is amended to read:

§ 5203. TRANSFER FROM OTHER COURTS

(a) If it appears to a Criminal Division of the Superior Court that the defendant was under ~~the age of 16~~ 17 years of age at the time the offense charged was alleged to have been committed and the offense charged is ~~not one of those specified in subsection 5204(a) of this title~~ a misdemeanor, that Court shall forthwith transfer the case to the Family Division of the Superior Court under the authority of this chapter.

(b) If it appears to a Criminal Division of the Superior Court that the defendant was ~~over the age of 16 years and~~ under ~~the age of 18~~ 17 years of age at the time ~~the~~ a felony offense ~~charged~~ not specified in subsection 5204(a) of this title was alleged to have been committed, ~~or that the defendant had attained the age of 14 but not the age of 16 at the time an offense specified in subsection 5204(a) of this title was alleged to have been committed,~~ that Court ~~may~~ shall forthwith transfer the proceeding to the Family Division of the Superior Court under the authority of this chapter, and the minor shall thereupon be considered to be subject to this chapter as a child charged with a delinquent act.

(c) If it appears to the State's Attorney that the defendant was ~~over the age of~~ 16 years of age ~~and under the age of 18~~ at the time the ~~offense~~ felony charged was alleged to have been committed and the ~~offense~~ felony charged is not an offense specified in subsection 5204(a) of this title, the State's Attorney ~~may~~ shall file charges in the Family ~~or Criminal~~ Division of the Superior Court. ~~If charges in such a matter are filed in the Criminal Division of the Superior Court, the Criminal Division of the Superior Court may forthwith transfer the proceeding to the Family Division of the Superior Court under the authority of this chapter, and the person shall thereupon be considered to be subject to this chapter as a child charged with a delinquent act~~.

(d) ~~Any such~~ A transfer under this section shall include a transfer and delivery of a copy of the accusatory pleading and other papers, documents, and transcripts of testimony relating to the case. Upon any such transfer, that court

shall order that the defendant be taken forthwith to a place of detention designated by the Family Division of the Superior Court or to that court itself, or shall release the child to the custody of his or her parent or guardian or other person legally responsible for the child, to be brought before the Family Division of the Superior Court at a time designated by that court. The Family Division of the Superior Court shall then proceed as provided in this chapter as if a petition alleging delinquency had been filed with the Court under section 5223 of this title on the effective date of such transfer.

(e) Motions to transfer a case to the Family Division of the Superior Court for youthful offender treatment shall be made under section 5281 of this title.

Sec. 11. 33 V.S.A. § 5204 is amended to read:

§ 5204. TRANSFER FROM FAMILY DIVISION OF THE SUPERIOR COURT

(a) After a petition has been filed alleging delinquency, upon motion of the State's Attorney and after hearing, the Family Division of the Superior Court may transfer jurisdiction of the proceeding to the Criminal Division of the Superior Court, if the child had attained 16 years of age but not 18 years of age at the time the act was alleged to have occurred and the delinquent act set forth in the petition ~~was not one of those specified in subdivisions (1) (12) of this subsection~~ is a felony not specified in subdivisions (1)–(12) of this subsection or if the child had attained 12 years of age but not 14 years of age at the time the act was alleged to have occurred, and if the delinquent act set forth in the petition was any of the following:

(1) arson causing death as defined in 13 V.S.A. § 501;

(2) assault and robbery with a dangerous weapon as defined in 13 V.S.A. § 608(b);

(3) assault and robbery causing bodily injury as defined in 13 V.S.A. § 608(c);

(4) aggravated assault as defined in 13 V.S.A. § 1024;

(5) murder as defined in 13 V.S.A. § 2301;

(6) manslaughter as defined in 13 V.S.A. § 2304;

(7) kidnapping as defined in 13 V.S.A. § 2405;

(8) unlawful restraint as defined in 13 V.S.A. § 2406 or 2407;

(9) maiming as defined in 13 V.S.A. § 2701;

(10) sexual assault as defined in 13 V.S.A. § 3252(a)(1) or (a)(2);

(11) aggravated sexual assault as defined in 13 V.S.A. § 3253; or

(12) burglary into an occupied dwelling as defined in 13 V.S.A. § 1201(c).

* * *

(i) If a juvenile 16 years of age or older has been prosecuted as an adult for an offense not listed in subsection (a) of this section and is not convicted of a felony, but is convicted of a lesser included misdemeanor, jurisdiction shall be transferred to the Family Division of the Superior Court for disposition. A conviction under this subsection shall be considered an adjudication of delinquency and not a conviction of a crime, and the entire matter shall be treated as if it had remained in the Family Division throughout. In case of an acquittal for a matter specified in this subsection and in case of a transfer to the Family Division under this subsection, the court shall order the sealing of all applicable files and records of the court, and such order shall be carried out as provided in subsection 5119(e) of this title.

(j) The record of a hearing conducted under subsection (c) of this section and any related files shall be open to inspection only by persons specified in subsections 5117(b) and (c) of this title in accordance with section 5119 of this title and by the attorney for the child.

* * * Effective July 1, 2016 * * *

Sec. 12. 33 V.S.A. § 5204 is amended to read:

§ 5204. TRANSFER FROM FAMILY DIVISION OF THE SUPERIOR COURT

(a) After a petition has been filed alleging delinquency, upon motion of the State's Attorney and after hearing, the Family Division of the Superior Court may transfer jurisdiction of the proceeding to the Criminal Division of the Superior Court, if the child had attained ~~the age of~~ 16 years of age but not ~~the age of~~ 18 years of age at the time the act was alleged to have occurred and the delinquent act set forth in the petition was not one of those specified in subdivisions (1)-(12) of this subsection or if the child had attained ~~the age of 10~~ 12 years of age but not ~~the age of~~ 14 years of age at the time the act was alleged to have occurred, and if the delinquent act set forth in the petition was any of the following:

(1) arson causing death as defined in 13 V.S.A. § 501;

(2) assault and robbery with a dangerous weapon as defined in 13 V.S.A. § 608(b);

(3) assault and robbery causing bodily injury as defined in 13 V.S.A. § 608(c);

(4) aggravated assault as defined in 13 V.S.A. § 1024;

(5) murder as defined in 13 V.S.A. § 2301;

(6) manslaughter as defined in 13 V.S.A. § 2304;

(7) kidnapping as defined in 13 V.S.A. § 2405;

(8) unlawful restraint as defined in 13 V.S.A. § 2406 or 2407;

(9) maiming as defined in 13 V.S.A. § 2701;

(10) sexual assault as defined in 13 V.S.A. § 3252(a)(1) or (a)(2);

(11) aggravated sexual assault as defined in 13 V.S.A. § 3253; or

(12) burglary into an occupied dwelling as defined in 13 V.S.A. § 1201(c).

(b) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(c) Upon the filing of a motion to transfer jurisdiction under subsection (b) of this section, the Family Division of the Superior Court shall conduct a hearing in accordance with procedures specified in subchapter 2 of this chapter to determine whether:

(1) there is probable cause to believe that the child committed ~~an act listed in subsection (a) of this section~~ the charged offense; and

(2) public safety and the interests of the community would not be served by treatment of the child under the provisions of law relating to the Family Division of the Superior Court and delinquent children.

* * *

(g) The order granting or denying transfer of jurisdiction shall ~~not~~ constitute a final ~~judgment or~~ order within the meaning of Rules 3 and 4 of the Vermont Rules of Appellate Procedure.

(h) If a person who has not attained ~~the age of~~ 16 years of age at the time of the alleged offense has been prosecuted as an adult and is not convicted of one of the acts listed in subsection (a) of this section but is convicted only of one or more lesser offenses, jurisdiction shall be transferred to the Family Division of the Superior Court for disposition. A conviction under this subsection shall be considered an adjudication of delinquency and not a conviction of crime, and

the entire matter shall be treated as if it had remained in the Family Division throughout. In case of an acquittal for a matter specified in this subsection and in case of a transfer to the Family Division under this subsection, the Court shall order the sealing of all applicable files and records of the Court, and such order shall be carried out as provided in subsection 5119(e) of this title.

* * *

Sec. 13. 33 V.S.A. § 5106 is amended to read:

§ 5106. POWERS AND DUTIES OF COMMISSIONER

Subject to the limitations of the juvenile judicial proceedings chapters or those imposed by the Court, and in addition to any other powers granted to the Commissioner under the laws of this State, the Commissioner has the following authority with respect to a child who is or may be the subject of a petition brought under the juvenile judicial proceedings chapters:

(1) To undertake assessments and make reports and recommendations to the Court as authorized by the juvenile judicial proceedings chapters.

(2) To investigate complaints and allegations that a child is in need of care or supervision for the purpose of considering the commencement of proceedings under the juvenile judicial proceedings chapters.

(3) To supervise and assist a child who is placed under the Commissioner's supervision or in the Commissioner's legal custody by order of the Court, and to administer sanctions in accordance with graduated sanctions established by policy and that are consistent with the juvenile probation certificate.

* * *

Sec. 14. 33 V.S.A. § 5225 is amended to read:

§ 5225. PRELIMINARY HEARING; RISK ASSESSMENT

(a) A preliminary hearing shall be held at the time and date specified on the citation or as otherwise ordered by the Court. If a child is taken into custody prior to the preliminary hearing, the preliminary hearing shall be at the time of the temporary care hearing.

(b) Prior to the preliminary hearing, the child shall be afforded an opportunity to undergo a risk and needs screening, which shall be conducted by the Department or by a community provider that has contracted with the Department to provide risk and need screenings for children alleged to have committed delinquent acts. If the child participates in such a screening, the Department or the community provider shall report the risk level result of the screening to the State's Attorney. In lieu of filing a charge, the State's

Attorney may refer a child directly to a youth-appropriate community-based provider that has been approved by the Department, which may include a community justice center or a balanced and restorative justice program. Referral to a community-based provider pursuant to this subdivision shall not require the State's Attorney to file a charge. If the community-based provider does not accept the case or if the child fails to complete the program in a manner deemed satisfactory and timely by the provider, the child's case shall return to the State's Attorney for charging consideration. If a charge is brought in the Family Division, the risk level result shall be provided to the child's attorney. Except on agreement of the parties, the results shall not be provided to the Court until after a merits finding has been made.

(c) Counsel for the child shall be assigned prior to the preliminary hearing.

(d) At the preliminary hearing, the Court shall appoint a guardian ad litem for the child. The guardian ad litem may be the child's parent, guardian, or custodian. On its own motion or motion by the child's attorney, the Court may appoint a guardian ad litem other than a parent, guardian or custodian.

(e) At the preliminary hearing, a denial shall be entered to the allegations of the petition, unless the juvenile, after adequate consultation with the guardian ad litem and counsel, enters an admission. If the juvenile enters an admission, the disposition case plan required by section 5230 of this title may be waived and the Court may proceed directly to disposition, provided that the juvenile, the custodial parent, the State's Attorney, the guardian ad litem, and the Department agree.

(f) The Court may order the child to abide by conditions of release pending a merits or disposition hearing.

Sec. 15. 33 V.S.A. § 5285 is amended to read:

§ 5285. MODIFICATION OR REVOCATION OF DISPOSITION

(a) If it appears that the youth has violated the terms of juvenile probation ordered by the Court pursuant to subdivision 5284(c)(1) of this title, a motion for modification or revocation of youthful offender status may be filed in the Family Division of the Superior Court. The Court shall set the motion for hearing as soon as practicable. The hearing may be joined with a hearing on a violation of conditions of probation under section 5265 of this title. A supervising juvenile or adult probation officer may detain in an adult facility a youthful offender who has attained ~~the age of~~ 18 years of age for violating conditions of probation.

(b) A hearing under this section shall be held in accordance with section 5268 of this title.

(c) If the Court finds after the hearing that the youth has violated the terms of his or her probation, the Court may:

(1) maintain the youth's status as a youthful offender, with modified conditions of juvenile probation if the Court deems it appropriate;

(2) revoke the youth's status as a youthful offender status and return the case to the Criminal Division for sentencing; or

(3) transfer supervision of the youth to the Department of Corrections with all of the powers and authority of the Department and the Commissioner under Title 28, including graduated sanctions and electronic monitoring.

(d) If a youth's status as a youthful offender is revoked and the case is returned to the Criminal Division under subdivision (c)(2) of this section, the Court shall hold a sentencing hearing and impose sentence. When determining an appropriate sentence, the Court may take into consideration the youth's degree of progress toward rehabilitation while on youthful offender status. The Criminal Division shall have access to all Family Division records of the proceeding.

Sec. 16. 28 V.S.A. § 1101 is amended to read:

§ 1101. POWERS AND RESPONSIBILITIES OF THE COMMISSIONER REGARDING JUVENILE SERVICES

The Commissioner is charged with the following powers and responsibilities regarding the administration of juvenile services:

(1) to provide appropriate, separate facilities for the custody and treatment of ~~children~~ offenders under 25 years of age committed to his or her custody in accordance with the laws of the State;

* * *

Sec. 17. 33 V.S.A. § 5206 is added to read:

§ 5206. CITATION OF 16- AND 17-YEAR-OLDS

(a)(1) If a child was over 16 years of age and under 18 years of age at the time the offense was alleged to have been committed and the offense is not specified in subsection (b) of this section, law enforcement shall cite the child to the Family Division of the Superior Court.

(2) If, after the child is cited to the Family Division, the State's Attorney chooses to file the charge in the Criminal Division of the Superior Court, the State's Attorney shall state in the information the reason why filing in the Criminal Division is in the interest of justice.

(b) Offenses for which a law enforcement officer is not required to cite a child to the Family Division of the Superior Court shall include:

(1) 23 V.S.A. §§ 674 (driving while license suspended or revoked); 1128 (accidents—duty to stop); and 1133 (eluding a police officer).

(2) Fish and wildlife offenses that are not minor violations as defined by 10 V.S.A. § 4572.

(3) A listed crime as defined in 13 V.S.A. § 5301.

(4) An offense listed in subsection 5204(a) of this title.

Sec. 18. 13 V.S.A. § 7554 is amended to read:

§ 7554. RELEASE PRIOR TO TRIAL

* * *

(j) Any juvenile between 14 and 16 years of age who is charged with a listed crime as defined in subdivision 5301(7) of this title shall appear before a judicial officer and be ordered released pending trial in accordance with this section within 24 hours of the juvenile's arrest.

Sec. 19. 4 V.S.A. § 33 is amended to read:

§ 33. JURISDICTION; FAMILY DIVISION

(a) Notwithstanding any other provision of law to the contrary, the Family Division shall have exclusive jurisdiction to hear and dispose of the following proceedings filed or pending on or after October 1, 1990:

* * *

(b) The Family Division has nonexclusive jurisdiction to hear and dispose of proceedings involving misdemeanor motor vehicle offenses filed or pending on or after July 1, 2016, pursuant to 33 V.S.A. §§ 5201, 5203, and 5280. The Family Division of the Superior Court shall forward a record of any conviction for violation of a law related to motor vehicle traffic control, other than a parking violation, to the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 1709.

Sec. 20. 33 V.S.A. § 5102 is amended to read:

§ 5102. DEFINITIONS AND PROVISIONS OF GENERAL APPLICATION

* * *

(28) "Victim" shall have the same meaning as in 13 V.S.A. § 5301(4).

(29) "Youth" shall mean a person who is the subject of a motion for youthful offender status or who has been granted youthful offender status.

Sec. 21. 33 V.S.A. § 5234 is amended to read:

§ 5234. RIGHTS OF VICTIMS IN DELINQUENCY PROCEEDINGS INVOLVING A LISTED CRIME

(a) The victim in a delinquency proceeding involving a listed crime shall have the following rights:

(1) To be notified by the prosecutor's office in a timely manner of the following:

(A) when a delinquency petition has been filed, the name of the child and any conditions of release initially ordered for the child or modified by the Court that are related to the victim or a member of the victim's family or current household;

(B) his or her rights as provided by law, information regarding how a case proceeds through a delinquency proceeding, the confidential nature of delinquency proceedings, and that it is unlawful to disclose confidential information concerning the proceedings to another person;

(C) when a predispositional or dispositional court proceeding is scheduled to take place and when a court proceeding of which he or she has been notified will not take place as scheduled.; and

~~(2)~~(D) ~~To be notified by the prosecutor's office as to~~ whether delinquency has been found and disposition has occurred, ~~including~~ and any conditions ~~or~~ of release or conditions of probation that are related to the victim or a member of the victim's family or current household and any restitution ~~relevant to the victim~~, when ordered.

(2) To file with the Court a written or recorded statement of the impact of the delinquent act on the victim and the need for restitution.

(3) To attend the disposition hearing and to present a ~~victim's~~ victim impact statement ~~at the disposition hearing in accordance with subsection 5233(b) of this title~~, including testimony in support of his or her claim for restitution pursuant to section 5235 of this title, and to be notified as to the disposition ~~pursuant to subsection 5233(d) of this title~~, including probation. The court shall consider the victim's statement when ordering disposition. The victim shall not be personally present at any portion of the disposition hearing except to present a victim impact statement or to testify in support of his or her claim for restitution unless the court finds that the victim's presence is necessary in the interest of justice.

(4) Upon request, to be notified by the agency having custody of the delinquent child before he or she is discharged from a secure or staff-secured residential facility. The name of the facility shall not be disclosed. An

agency's inability to give notification shall not preclude the release. However, in such an event, the agency shall take reasonable steps to give notification of the release as soon thereafter as practicable. Notification efforts shall be deemed reasonable if the agency attempts to contact the victim at the address or telephone number provided to the agency in the request for notification.

(5) ~~To obtain the name of the child in accordance with sections 5226 and 5233 of this title.~~ To have the Court take his or her views into consideration in the Court's disposition order. If the victim is not present, the Court shall consider whether the victim has expressed, either orally or in writing, views regarding disposition and shall take those views into account when ordering disposition.

(6) ~~To be notified by the Court of the victim's rights under this section.~~ [Repealed.]

(b) The prosecutor's office shall keep the victim informed and consult with the victim through the delinquency proceedings.

Sec. 22. 33 V.S.A. § 5234a is added to read:

§ 5234a. RIGHTS OF VICTIMS IN DELINQUENCY PROCEEDINGS INVOLVING A NONLISTED CRIME

(a) The victim in a delinquency proceeding involving an offense that is not a listed crime shall have the following rights:

(1) To be notified by the prosecutor's office in a timely manner of the following:

(A) his or her rights as provided by law, information regarding how a delinquency proceeding is adjudicated, the confidential nature of juvenile proceedings, and that it is unlawful to disclose confidential information concerning the proceedings;

(B) when a delinquency petition is filed, and any conditions of release initially ordered for the child or modified by the Court that relate to the victim or a member of the victim's family or current household; and

(C) when a dispositional court proceeding is scheduled to take place and when a court proceeding of which he or she has been notified will not take place as scheduled.

(2) That delinquency has been found and disposition has occurred, and any conditions of release or conditions of probation that are related to the victim or a member of the victim's family or current household and any restitution ordered.

(3) To file with the Court a written or recorded statement of the impact of the delinquent act on the victim and any need for restitution.

(4) To attend the disposition hearing for the sole purpose of presenting to the Court a victim impact statement, including testimony in support of his or her claim for restitution pursuant to section 5235 of this title. The victim shall not be personally present at any portion of the disposition hearing except to present a victim impact statement or to testify in support of his or her claim for restitution unless the Court finds that the victim's presence is necessary in the interest of justice.

(5) To have the Court take his or her views into consideration in the Court's disposition order. If the victim is not present, the Court shall consider whether the victim has expressed, either orally or in writing, views regarding disposition and shall take those views into account when ordering disposition. The Court shall order that the victim be notified as to the identity of the child upon disposition if the Court finds that release of the child's identity to the victim is in the best interests of both the child and the victim and serves the interests of justice.

(b) The prosecutor's office shall keep the victim informed and consult with the victim through the delinquency proceedings.

Sec. 23. 14 V.S.A. § 2666 is amended to read:

§ 2666. MODIFICATION; TERMINATION

* * *

(b) Where the permanent guardianship is terminated by the ~~probate division of the superior court~~ Probate Division of the Superior Court order or the death of the permanent guardian, the custody and guardianship of the child shall not revert to the parent, but to the ~~commissioner for children and families~~ Commissioner for Children and Families as if the child had been abandoned.

(1) Upon the death of the permanent guardian or when the permanent guardianship is otherwise terminated by order of the Probate Division, the Probate Division shall issue an order placing the child in the custody of the Commissioner and shall immediately notify the Department for Children and Families, the State's Attorney, and the Family Division.

(2) The order transferring the child's legal custody to the Commissioner shall have the same legal effect as a similar order issued by the Family Division under the authority of 33 V.S.A. chapters 51–53.

(3) After the Probate Division issues the order transferring legal custody of the child, the State shall commence proceedings under the authority of 33 V.S.A. chapters 51–53 as if the child were abandoned.

* * *

Sec. 24. 14 V.S.A. § 2667 is amended to read:

§ 2667. ORDER FOR VISITATION, CONTACT, OR INFORMATION; IMMEDIATE HARM TO THE MINOR

(a) The ~~probate division of the superior court~~ Probate Division of the Superior Court shall have exclusive jurisdiction to hear any action to enforce, modify, or terminate the initial order issued by the ~~family division of the superior court~~ Family Division of the Superior Court for visitation, contact, or information.

(b) Upon a showing by affidavit of immediate harm to the child, the ~~probate division of the superior court~~ Probate Division of the Superior Court may temporarily stay the order of visitation or contact on an ex parte basis until a hearing can be held, or stay the order of permanent guardianship and ~~assign parental rights and responsibilities~~ transfer legal custody of the child to the ~~commissioner for children and families~~ Commissioner for Children and Families.

(1) The order transferring the child's legal custody to the Commissioner shall have the same legal effect as a similar order issued by the Family Division under the authority of 33 V.S.A. chapters 51–53.

(2) The Probate Division shall then immediately notify the Department for Children and Families, the State's Attorney, and the Family Division when it has issued an order transferring the child's legal custody to the Commissioner, and nothing in this subsection shall prohibit the State from commencing proceedings under 33 V.S.A. chapters 51–53.

* * *

Sec. 25. 33 V.S.A. § 5223 is amended to read:

§ 5223. FILING OF PETITION

(a) When notice to the child is provided by citation, the State's Attorney shall file the petition and supporting affidavit at least 10 business days prior to the date for the preliminary hearing specified in the citation.

(b) The Court shall send or deliver a copy of the petition and affidavit to the Commissioner after a finding of probable cause. A copy of the petition and affidavit shall be made available at the State's Attorney's office to all persons required to receive notice, including the noncustodial parent, as soon as possible after the petition is filed and at least five business days prior to the date set for the preliminary hearing.

Sec. 26. 33 V.S.A. § 5229 is amended to read:

§ 5229. MERITS ADJUDICATION

* * *

(g) If, based on the child's admission or the evidence presented, the Court finds beyond a reasonable doubt that the child has committed a delinquent act, the Court shall order the Department to prepare a disposition case plan ~~within 28 days of the merits adjudication and shall set the matter for a~~ not later than seven business days before the disposition hearing. In no event~~,~~ shall a disposition hearing be held later than 35 days after a finding that a child is delinquent.

(h) The Court may proceed directly to disposition providing that the child, the custodial parent, the State's Attorney, and the Department agree.

Sec. 27. 33 V.S.A. § 5230 is amended to read:

§ 5230. DISPOSITION CASE PLAN

(a) Filing of case plan. ~~The~~ Following the finding by the Court that a child is delinquent, the Department shall file a disposition case plan ~~no~~ not later than ~~28 days from the date of the finding by the Court that a child is delinquent~~ seven business days before the scheduled disposition hearing. The disposition case plan shall not be used or referred to as evidence prior to a finding that a child is delinquent.

* * *

Sec. 28. 33 V.S.A. § 5315 is amended to read:

§ 5315. MERITS ADJUDICATION

* * *

(f) If the Court finds that the allegations made in the petition have not been established, the Court shall dismiss the petition and vacate any temporary orders in connection with this proceeding. A dismissal pursuant to this subsection is a final order subject to appeal.

(g) If the Court finds that the allegations made in the petition have been established based on the stipulation of the parties or on the evidence if the merits are contested, the Court shall order the Department to prepare a disposition case plan ~~within 28 days of the merits hearing and shall set the matter for a~~ not later than seven business days before a scheduled disposition hearing. An adjudication pursuant to this subsection is not a final order subject to appeal separate from the resulting disposition order.

* * *

Sec. 29. 33 V.S.A. § 5315a is added to read:

§ 5315a. MERITS STIPULATION

(a) At any time after the filing of the CHINS petition and prior to an order of adjudication on the merits, the court may approve a written stipulation to the merits of the petition and any or all elements of the disposition plan, including the permanency goal, placement, visitation, or services.

(b) The court may approve a written stipulation if:

(1) the parties to the petition, as defined in subdivision 5102(22) of this title, agree to the terms of the stipulation; and

(2) the court determines that:

(A) the agreement between the parties is voluntary;

(B) the parties to the agreement understand the nature of the allegation; and

(C) the parties to the agreement understand the rights waived if the court approves of and issues an order based upon the stipulation.

Sec. 30. 33 V.S.A. § 5316 is amended to read:

§ 5316. DISPOSITION CASE PLAN

(a) ~~The~~ Following a finding by the court that a child is in need of care or supervision, the Department shall file a disposition case plan ordered pursuant to subsection 5315(g) of this title ~~no~~ not later than ~~28 days from the date of the finding by the Court that a child is in need of care or supervision~~ seven business days before the scheduled disposition hearing.

* * *

Sec. 31. 15 V.S.A. § 1103 is amended to read:

§ 1103. REQUESTS FOR RELIEF

(a) Any family or household member may seek relief from abuse by another family or household member on behalf of ~~him~~ him- or herself or his or her children by filing a complaint under this chapter. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in §1101(2) of this chapter, may file a complaint under this chapter seeking relief on his or her own behalf. The plaintiff shall submit an affidavit in support of the order.

* * *

Sec. 32. 15 V.S.A. § 1104 is amended to read:

§ 1104. EMERGENCY RELIEF

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

* * *

Sec. 33. DEPARTMENT OF CHILDREN AND FAMILIES; DEPARTMENT OF CORRECTIONS; YOUTHFUL OFFENDERS; REPORT

The Commissioners for Children and Families and of Corrections shall consider the implications of adjudicating as youthful offenders all defendants who have attained 18 years of age, but not 21 years of age, who have not been charged with an offense specified in 33 V.S.A. § 5204(a). The Commissioners shall report their findings and any associated recommendations or proposed legislation to the Joint Legislative Justice Oversight Committee on or before November 1, 2016.

Sec. 34. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE; 2016 LEGISLATIVE INTERIM

During the 2016 legislative interim, the Joint Legislative Justice Oversight Committee shall:

(1) evaluate the fiscal implications of adjudicating in the Family Division of the Superior Court all offenders 18–20 years of age who are not charged with an offense specified in 33 V.S.A. § 5204(a);

(2) consider whether the creation of an Office for Youth Justice or similar with jurisdiction to coordinate supervision and services for youth adjudicated juvenile delinquents and youthful offenders 25 years of age and younger would improve outcomes for youth in the justice system;

(3) consider expanding youthful offender status eligibility to offenders 24 years of age and younger, while requiring offenders 22–24 years of age to be under Department of Corrections supervision;

(4) consider whether State's Attorneys should have the discretion to bring charges against 14 and 15 year olds alleged to have committed an act specified in subsection 5204(a) in either the Criminal or Family Division of the Superior Court;

(5) explore options for housing offenders 16 and 17 years of age serving a sentence for an offense specified in 33 V.S.A. § 5204(a);

(6) evaluate the resources necessary to expand the jurisdiction of the juvenile courts for offenders 21 years of age and younger as contemplated by other state legislatures; and

(7) evaluate the resources necessary to expand youthful offender treatment for offenders 24 years of age and younger.

Sec. 35. AGENCY OF EDUCATION; RESTORATIVE JUSTICE PRACTICES

The Agency of Education shall explore the use of restorative and similar practices regarding school climate and culture, truancy, bullying and harassment, and school discipline. The Agency shall consider the research that demonstrates that restorative approaches lead to reductions in absenteeism, suspensions, and expulsions and to improved educational outcomes.

Sec. 36. REPEAL

33 V.S.A. §§ 5226 (notification of conditions of release) and 5233 (victim's statement at disposition) are repealed.

Sec. 37. EFFECTIVE DATES

(a) Secs. 9 (Commencement of Delinquency Proceedings), 10 (Transfer from the Courts), and 11 (transfer from Family Division of the Superior Court) shall take effect on January 1, 2017.

(b) Secs. 6 (Jurisdiction), 7 (commencement of delinquency proceedings), and 8 (Transfer from other Courts) shall take effect on January 1, 2018.

(c) Secs. 1 (Commencement of Youthful Offender Proceedings in the Family Division), 2 (Motion in Criminal Division of Superior Court), 3 (Report from the Department), 4 (Hearing in Family Division), and 5 (Youthful Offender Determination and Disposition Order) shall take effect on July 1, 2018.

(d) The remaining sections shall take effect on July 1, 2016.

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.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 74. An act relating to safety protocols for social and mental health workers.

H. 183. An act relating to security in the Capitol Complex.

H. 367. An act relating to miscellaneous revisions to the municipal plan adoption, amendment, and update process.

Bill Passed in Concurrence

H. 580.

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

An act relating to conservation easements.

Third Reading Ordered

H. 529.

Senator Balint, for the Committee on Institutions, to which was referred House bill entitled:

An act relating to State aid for school construction repayment obligations.

Reported that the bill ought to pass in concurrence.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending 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.

Third Reading Ordered

H. 805.

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

An act relating to employment rights for members of the National Guard and Reserve Components of the U.S. Armed Forces.

Reported that the bill ought to pass in concurrence.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending 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.

Proposal of Amendment; Third Reading Ordered

H. 610.

Senator Rodgers, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to clarifying the Clean Water State Revolving Fund and Water Pollution Control Grant Programs.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 38, Report on Loans to Private Entities for Water Pollution Abatement and Control Facilities and Public Water Supply Systems, in subsection (a), by striking out the words "Committee on Institutions" and inserting in lieu thereof the words Committees on Institutions and on Natural Resources and Energy

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 Natural Resources and Energy.

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. 629.

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

An act relating to a study committee to examine laws related to the administration and issuance of vital records.

Reported that the bill ought to pass in concurrence.

Senator Sears, 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 follows:

First: In Sec. 1, in subsection (a), by striking out subdivisions (1) through (5) in their entirety and inserting in lieu thereof the following:

(1) the Commissioner of Health or designee, who shall serve as Chair of the Committee;

(2) the State Archivist or designee;

(3) a Probate judge appointed by the Chief Justice of the Vermont Supreme Court;

(4) two town clerks appointed by the Vermont Municipal Clerks' and Treasurers' Association.

Second: In Sec. 1, in subsection (c), by striking out the second sentence in its entirety and inserting in lieu thereof the following: The Committee may consult with and shall have the assistance of the Office of Legislative Council.

Third: In Sec. 1, in subsection (e), by striking out subdivisions (1) through (3) in their entirety and inserting in lieu thereof the following:

(1) The Chair shall call the first meeting of the Committee to occur on or before June 15, 2016.

(2) A majority of the membership shall constitute a quorum.

Fourth: In Sec. 1, by striking out subsection (g) in its entirety.

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

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointment was confirmed by the Senate, without report given by the Committee to which it was referred and without debate:

Roberto, Lynn of Springfield - Alternate Member, Parole Board – March 1, 2016, to February 28, 2019.

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 Webb and Lenes,

By Senators Ashe, Baruth, Lyons, Sirotkin and Zuckerman,

H.C.R. 345.

House concurrent resolution congratulating the Shelburne Volunteer Fire Department on its 75th anniversary.

By Representative French and others,

By Senators MacDonald, Campbell, McCormack and Nitka,

H.C.R. 346.

House concurrent resolution honoring Joseph Woodin on his outstanding leadership of Gifford Medical Center.

By Representative Manwaring and others,

H.C.R. 347.

House concurrent resolution congratulating the 2016 Junior Iron Chef championship teams.

By Representative Keenan and others,

By Senator Degree,

H.C.R. 348.

House concurrent resolution congratulating Ernie Farrar of St. Albans on his induction into the Vermont Sports Hall of Fame.

By Representative Deen,

H.C.R. 349.

House concurrent resolution designating April 28, 2016 as Vermont Water Stewardship Day.

By Representative Potter and others,

H.C.R. 350.

House concurrent resolution congratulating the 2016 Mill River Union High School Division II championship cheerleading team.

By Representative Russell and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 351.

House concurrent resolution honoring Thomas Donahue for his dynamic leadership at the Rutland Region Chamber of Commerce.

By Representative Savage and others,

By Senator Degree,

H.C.R. 352.

House concurrent resolution congratulating James Messier on his receipt of the National FFA VIP Award.

By Representatives Wood and Stevens,

H.C.R. 353.

House concurrent resolution honoring Robin Hadden for her 28 years of outstanding public service as a rural letter carrier in Huntington.

By Representative Devereux and others,

H.C.R. 354.

House concurrent resolution commemorating the 150th anniversary of the founding of the Grand Army of the Republic.

By Representative Frank and others,

H.C.R. 355.

House concurrent resolution designating April 27, 2016 as Walk@Lunch Day in Vermont.

By Representative Connor and others,

By Senator Degree,

H.C.R. 356.

House concurrent resolution congratulating the Vermont Maple Festival on its golden anniversary.

By Representatives Sweaney and Bartholomew,

H.C.R. 357.

House concurrent resolution congratulating Katey Comstock on her 2016 Division II indoor track and field individual championships.

By Representatives Martin and Woodward,

By Senator Westman,

H.C.R. 358.

House concurrent resolution honoring Hugh Tallman for a half century of public service in the Town of Belvidere.

By Representative Russell,

H.C.R. 359.

House concurrent resolution congratulating Saint Peter Roman Catholic Parish in Rutland on its solar energy leadership.

By Representative Morrissey and others,

By Senators Campion and Sears,

H.C.R. 360.

House concurrent resolution honoring Coach Scott Legacy on his remarkable career directing the Mt. Anthony Union High School Patriots' wrestling program.

By Representative Botzow and others,

By Senators Campion and Sears,

H.C.R. 361.

House concurrent resolution congratulating the Solomon Wright Public Library on its 50th anniversary.

By Representative Botzow and others,

By Senators Ayer, Balint, Bray, Campion, Sears and White,

H.C.R. 362.

House concurrent resolution honoring the American Association of University Women of Vermont for its advancement of equity for women.

Adjournment

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

SATURDAY, APRIL 23, 2016

Pursuant to the Senate Rules, in the absence of the President, 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. 56

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 885. An act relating to approval of amendments to the charter of the Town of Shelburne.

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

The House has considered a bill originating in the Senate of the following title:

S. 157. An act relating to breast density notification and education.

And has passed the same in concurrence.

The House has considered a bill originating in the Senate of the following title:

S. 174. An act relating to a model State policy for use of body cameras by law enforcement officers.

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 joint resolution originating in the Senate of the following title:

J.R.S. 35. Joint resolution urging Vermont's participation in the Stepping Up initiative to reduce the number of incarcerated Vermonters with a mental illness.

And has adopted the same in concurrence.

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

H. 261. An act relating to criminal record inquiries by an employer.

And has severally concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 345. House concurrent resolution congratulating the Shelburne Volunteer Fire Department on its 75th anniversary.

H.C.R. 346. House concurrent resolution honoring Joseph Woodin on his outstanding leadership of Gifford Medical Center.

H.C.R. 347. House concurrent resolution congratulating the 2016 Junior Iron Chef championship teams.

H.C.R. 348. House concurrent resolution congratulating Ernie Farrar of St. Albans on his induction into the Vermont Sports Hall of Fame.

H.C.R. 349. House concurrent resolution designating April 28, 2016 as Vermont Water Stewardship Day.

H.C.R. 350. House concurrent resolution congratulating the 2016 Mill River Union High School Division II championship cheerleading team.

H.C.R. 351. House concurrent resolution honoring Thomas Donahue for his dynamic leadership at the Rutland Region Chamber of Commerce.

H.C.R. 352. House concurrent resolution congratulating James Messier on his receipt of the National FFA VIP Award.

H.C.R. 353. House concurrent resolution honoring Robin Hadden for her 28 years of outstanding public service as a rural letter carrier in Huntington.

H.C.R. 354. House concurrent resolution commemorating the 150th anniversary of the founding of the Grand Army of the Republic.

H.C.R. 355. House concurrent resolution designating April 27, 2016 as Walk@Lunch Day in Vermont.

H.C.R. 356. House concurrent resolution congratulating the Vermont Maple Festival on its golden anniversary.

H.C.R. 357. House concurrent resolution congratulating Katey Comstock on her 2016 Division II indoor track and field individual championships.

H.C.R. 358. House concurrent resolution honoring Hugh Tallman for a half century of public service in the Town of Belvidere.

H.C.R. 359. House concurrent resolution congratulating Saint Peter Roman Catholic Parish in Rutland on its solar energy leadership.

H.C.R. 360. House concurrent resolution honoring Coach Scott Legacy on his remarkable career directing the Mt. Anthony Union High School Patriots' wrestling program.

H.C.R. 361. House concurrent resolution congratulating the Solomon Wright Public Library on its 50th anniversary.

H.C.R. 362. House concurrent resolution honoring the American Association of University Women of Vermont for its advancement of equity for women.

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

Bills Referred to Committee on Appropriations

House bills of the following titles, appearing on the Calendar for notice, and carrying appropriations or requiring the expenditure of funds, under the rule, were severally referred to the Committee on Appropriations:

H. 130. An act relating to the Agency of Public Safety.

H. 859. An act relating to special education.

H. 873. An act relating to making miscellaneous tax changes.

Adjournment

On motion of Senator Cummings, the Senate adjourned, to reconvene on Monday, April 25, 2016, at two o'clock in the afternoon.

MONDAY, APRIL 25, 2016

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.

Rules Suspended; Bill Committed

H. 571.

Pending entry on the Calendar for notice, on motion of Senator Campbell, the rules were suspended and House bill entitled:

An act relating to driver's license suspensions, driving with a suspended license, and DUI penalties.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Judiciary, Senator Campbell moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the reports of the Committee on Judiciary and Committee on Finance *intact*,

Which was agreed to.

Rules Suspended; Bill Committed

H. 868.

Pending entry on the Calendar for notice, on motion of Senator Mullin, the rules were suspended and House bill entitled:

An act relating to miscellaneous economic development provisions.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Economic Development, Housing and General Affairs, Senator Mullin moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Economic Development, Housing and General Affairs and the Committee on Finance *intact*,

Which was agreed to.

Rules Suspended; Committee Relieved; Up for Action

On motion of Senator Kitchel, the Committee on Appropriations was relieved of further consideration of House bill entitled:

H. 873. An act relating to making miscellaneous tax changes.

Thereupon, Senator Kitchel moved that the rules be suspended and the bill be up for action today.

Which was agreed to.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 53.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senators Baruth and Benning,

J.R.S. 53. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 29, 2016, or Saturday, April 30, 2016, it be to meet again no later than Tuesday, May 3, 2016.

Bill Referred

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

H. 885. An act relating to approval of amendments to the charter of the Town of Shelburne.

To the Committee on Rules pursuant to Temporary Rule 44A.

Recess

On motion of Senator Campbell the Senate recessed until 3:30 P.M.

Called to Order

The Senate was called to order by the President.

Recess

On motion of Senator Campbell the Senate recessed until 4:15 P.M.

Called to Order

The Senate was called to order by the President.

Proposals of Amendment; Third Reading Ordered

H. 872.

Senator MacDonald, for the Committee on Finance, to which was referred House bill entitled:

An act relating to Executive Branch fees.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 6 V.S.A. § 1, in subdivision (a)(13), in the final sentence, by striking out the final sentence in its entirety and inserting in lieu thereof the following: The Secretary may assess a late fee of $27.00, provided that the late fee is no greater than the fee due, in which case the late fee shall equal the fee due, for any license, registration, permit, or certification renewal that is received more than 30 days past expiration unless a higher late renewal fee is otherwise prescribed by statute;

Second: In Sec. 5, 6 V.S.A. § 366, in subdivision (a)(1), after the following: "a $150.00" by striking out the following: "base fee" and inserting in lieu thereof the following: minimum tonnage fee

Third: In Sec. 13, 6 V.S.A. § 1112, in subdivision (a)(4), after the following: "a maximum of" by striking out the following: "$100.00" and inserting in lieu thereof the following: $120.00

Fourth: In Sec. 13, 6 V.S.A. § 1112, after subdivision (a)(6), before the existing period, by inserting a semicolon ; and by inserting a subdivision (7) to read as follows:

(7) Government, Municipal, and Public Education Institution Applicators—$30.00

Fifth: In Sec. 16, 6 V.S.A. § 2724(b), after the following: "under the supervision of a person that is registered." in the sentence before the final sentence, by striking out the final sentence in its entirety.

Sixth: After Sec. 33, by inserting a new section to be numbered Sec. 33a to read as follows:

Sec. 33a. 9 V.S.A. § 5410 is amended to read:

§ 5410. FILING FEES

(a) A person shall pay a fee of ~~$250.00~~ $300.00 when initially filing an application for registration as a broker-dealer and a fee of ~~$250.00~~ $300.00 when filing a renewal of registration as a broker-dealer. A separate application in writing for branch office registration or renewal, accompanied by a filing fee of ~~$100.00~~ $120.00 per branch office, shall be filed in the Office of the Commissioner in such form as the Commissioner may prescribe by any broker-dealer who transacts business in this State from any place of business located within this State. If the filing results in a denial or withdrawal, the Commissioner shall retain the fee.

(b) The fee for an individual is ~~$60.00~~ $85.00 when filing an application for registration as an agent, ~~$60.00~~ $85.00 when filing a renewal of registration as an agent, and ~~$60.00~~ $85.00 when filing for a change of registration as an agent. If the filing results in a denial or withdrawal, the Commissioner shall retain the fee.

(c) A person shall pay a fee of ~~$250.00~~ $300.00 when filing an application for registration as an investment adviser and a fee of ~~$250.00~~ $300.00 when filing a renewal of registration as an investment adviser. A separate application in writing for branch office registration or renewal, accompanied by a filing fee of ~~$100.00~~ $120.00 per branch office, shall be filed in the Office of the Commissioner in such form as the Commissioner may prescribe by any investment adviser who transacts business in this State from any place of business located within the State. If the filing results in a denial or withdrawal, the Commissioner shall retain the fee.

(d) The fee for an individual is ~~$55.00~~ $80.00 when filing an application for registration as an investment adviser representative, ~~$55.00~~ $80.00 when filing a renewal of registration as an investment adviser representative, and ~~$55.00~~ $80.00 when filing a change of registration as an investment adviser representative. If the filing results in a denial or withdrawal, the Commissioner shall retain the fee.

(e) A federal covered investment adviser required to file a notice under section 5405 of this title shall pay an initial fee of ~~$250.00~~ $300.00 and an annual notice fee of ~~$250.00~~ $300.00. To the extent required to be included in

documents filed with the Securities and Exchange Commission, such notice filing shall include information on the branch offices of a federal covered investment adviser who transacts business in this State from any place of business located within this State, accompanied by a notice filing fee of ~~$100.00~~ $120.00 per branch office in Vermont. A notice filing may be terminated by filing notice of such termination with the Commissioner. If a notice filing results in a denial or withdrawal, the Commissioner shall retain the fee.

* * *

Seventh: After Sec. 40, 7 V.S.A. § 1002, by striking out the reader assistance and Sec. 41, 7 V.S.A. § 1013, in their entirety, and inserting in lieu thereof the following: Sec. 41. [Deleted.]

Eighth: After Sec. 34, 32 V.S.A. § 602, by inserting a reader assistance and Secs. 34a through 34c to read as follows:

* * * EB-5; Regulation; Oversight; Fees * * *

Sec. 34a. 10 V.S.A. § 20 is added to read:

§ 20. EB-5 PROGRAM; REGULATION; OVERSIGHT

(a) The U.S. Department of Homeland Security's U.S. Citizenship and Immigrations Services (USCIS) administers the EB-5 Program, a federal program designed to stimulate the U.S. economy through job creation and capital investment by foreign investors. The Vermont EB-5 Regional Center is a USCIS-designated regional center. The Center is managed by the Agency of Commerce and Community Development in partnership with the Department of Financial Regulation.

(b) The Agency of Commerce and Community Development has the personnel and resources to market and promote economic opportunities in Vermont, whereas the Department of Financial Regulation has the personnel and resources to supervise financial services and products offered in Vermont in a manner that advances fair business practices and protects the investing public. It is imperative that management of the EB-5 Program reflect the existing expertise of both these State entities.

(c) The Secretary of Commerce and Community Development and the Commissioner of Financial Regulation shall separately adopt rules pertaining to the administration and oversight of the EB-5 Program. The rules shall be consistent with federal regulations and requirements as well as with the statutory expertise of the Department and Agency.

(d) The rules adopted under this section shall be modeled after the Memorandum of Understanding between the Agency of Commerce and

Community Development and the Department of Financial Regulation, dated December 22, 2014, which pertains to the duties and responsibilities of the Agency and the Department with respect to the EB-5 Program. As such, the rules shall include provisions related to:

(1) communication with and reporting to the USCIS;

(2) marketing activities;

(3) required provisions pertaining to private placement memoranda;

(4) securities analysis and standards for project approval;

(5) ongoing oversight and compliance of approved projects, including annual audits;

(6) the establishment of escrow accounts for capital investments and third-party oversight of requisitions, if deemed appropriate by the Commissioner and Secretary;

(7) investor relations and a formal complaint protocol;

(8) standards for revoking approval of a project;

(9) penalties for failure to comply with rules adopted under this section;

(10) communication between the Agency and the Department, as well as with media outlets and with other regulatory or law enforcement entities;

(11) fees and costs of the Regional Center, consistent with subsection 21(c) of this title; and

(12) any other matter the Commissioner and the Secretary determine will strengthen the oversight and management of the EB-5 Program and prevent fraudulent activities.

(e) The rules adopted under this section shall explicitly state that any interest obtained through a capital investment in the EB-5 Program is a "security" as defined in 9 V.S.A. § 5102(28) and as such is subject to regulation by the Commissioner of Financial Regulation under the Vermont Uniform Securities Act, 9 V.S.A. chapter 150.

Sec. 34b. 10 V.S.A. § 21 is amended to read:

§ 21. EB-5 SPECIAL FUND

(a) An EB-5 Special Fund is created ~~for the operation of the State of~~ to support the operating costs of the Vermont Regional Center for Immigrant Investment under the federal EB-5 Program. The Fund shall consist of revenues derived from administrative charges by the Agency of Commerce and Community Development pursuant to subsection (c) of this section, any

interest earned by the Fund, and all sums which are from time to time appropriated for the support of the Regional Center and its operations. It is the intent of the General Assembly, however, that the collection of charges authorized by this section will obviate the need for legislative appropriations to support Regional Center expenses.

(b)(1) The receipt and expenditure of monies from the Special Fund shall be under the supervision of the Secretary of Commerce and Community Development.

(2) The Secretary of Commerce and Community Development shall maintain accurate and complete records of all receipts and expenditures by and from the Fund, and shall make an annual report on the condition of the Fund to the Secretary of Administration, the House Committees on Commerce and Economic Development and on Ways and Means, and the Senate Committees on Finance and on Economic Development, Housing and General Affairs.

(3) Expenditures from the Fund shall be used only to ~~administer the EB-5 Program~~ support the operating expenses of the Regional Center, including the costs of providing specialized services to support participating economic development projects, marketing and related travel expenses, application review and examination expenses, and personnel expenses incurred by the Agency of Commerce and Community Development and the Department of Financial Regulation. At the end of each fiscal year, the Secretary of Administration shall transfer from the EB-5 Special Fund to the General Fund any amount that the Secretary of Administration determines, in his or her discretion, exceeds the funds necessary to administer the Program.

(c) Notwithstanding 32 V.S.A. § 603, the Secretary of Commerce and Community Development, with input from the Commissioner of Financial Regulation, is authorized to impose ~~an~~ administrative ~~charge for the costs of administering the Regional Center and providing specialized services in support of participating economic development projects~~ charges on project developers to achieve the Fund's purpose. The charges shall include a one-time application fee as well as an annual assessment apportioned among approved projects in a fair and equitable manner as specified in rules adopted under section 20 of this title. In addition, the rules shall require that an applicant or approved project developer, as applicable, is liable for any additional expenses incurred with respect to the retention of outside legal, financial, examination or other services or studies deemed necessary by the Secretary or the Commissioner to assist with application or project review. The collection of some or all charges authorized under this section may be suspended for a period of time as deemed appropriate by the Secretary for good cause shown. Any charges imposed under this section shall be included

in the consolidated Executive Branch fee report required under 32 V.S.A. § 605.

Sec. 34c. EB-5 PROJECT DEVELOPER; COLLECTION OF PAST-DUE FEES

On or before July 1, 2016, the Secretary of Commerce and Community Development shall make every reasonable effort to proceed with the invoicing and collection of charges authorized under 10 V.S.A. § 21, including any invoicing and collection of charges previously suspended by the Secretary. The charges shall be collected in a manner that does not diminish the value of a foreign investor's interest acquired through a capital investment in an EB-5 project.

Ninth: After Sec. 44, by striking out the reader assistance in its entirety and inserting a new reader assistance to read as follows:

* * * Environmental Conservation; Stormwater Discharge Permits; Concentrated Animal Feeding Operations * * *

Tenth: In Sec. 45, 3 V.S.A. § 2822(j), after subdivision (2), by striking out the following: "* * *" and inserting in lieu thereof the following:

(A) Application review fee.

* * *

(iv) Indirect discharge or underground injection control, excluding stormwater discharges.	
(I) Indirect discharge, sewage.	
(aa) Individual permit: original application; amendment for increased flows; amendment for modification or replacement of system.	$1,755.00 plus $0.08 per gallon of design capacity above 6,500 gpd.
(II) Indirect discharge, nonsewage.	
(aa) Individual permit: original application; amendment for increased flows; amendment for modification or replacement of system.	$0.06 per gallon of design capacity; minimum $400.00.

(III) Underground injection; ~~original~~ individual permit; amendment for increased flows; amendment for modification or replacement of system.

(aa) For applications where the discharge meets groundwater enforcement standards at the point of discharge:	$500.00 and $0.10 for each gallon per day over 2,000 gallons per day.
(bb) For applications where the discharge meets groundwater enforcement standards at the point of compliance:	$1,500.00 and $0.20 for each gallon per day over 2,000 gallons per day.

Eleventh: After Sec. 47, 16 V.S.A. § 1694, by inserting a reader assistance and a Sec. 47a to read as follows:

* * * State Lottery Commission; Fantasy Sports Contests; Operators * * *

Sec. 47a. 9 V.S.A. § 4189 is added to read:

§ 4189. ANNUAL ASSESSMENT

(a) A fantasy sports operator shall pay two percent of its annual net revenue to the State Lottery Commission for deposit in the State Lottery Fund established in 31 V.S.A. § 658. These funds shall be reserved for programs addressing addiction in Vermont.

(b) As used in this section, "annual net revenue" means the total amount of consideration received in the prior year by a fantasy sports operator from fantasy sports players in Vermont, less the amount of cash prizes, awards, or cash equivalents that the fantasy sports operator paid in the prior year to fantasy sports players in Vermont. The amount of the annual net revenue shall be determined by the annual independent audit carried out pursuant to 9 V.S.A. § 4186(c).

Twelfth: In Sec. 48, Effective Dates, by striking out subsections (b) and (c) in their entirety and inserting in lieu thereof the following:

(b) Notwithstanding 1 V.S.A. § 214, in Sec. 45 (stormwater discharge permits), in 3 V.S.A. § 2822(j), subdivision (2)(A) shall take effect retroactively on July 1, 2015.

(c) This section shall take effect on passage.

(d) The remaining sections shall take effect on July 1, 2016.

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, the proposals of amendment were collectively agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 873.

Senator Ashe, for the Committee on Finance, to which was referred House bill entitled:

An act relating to making miscellaneous tax changes.

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:

* * * Tax Administration * * *

Sec. 1. 32 V.S.A. § 3102(e) is amended to read:

(e) The Commissioner may, in his or her discretion and subject to such conditions and requirements as he or she may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

* * *

(3) To any officer, employee, or agent of any other state or Vermont municipality that administers its own local option sales tax or meals and rooms tax or gross receipts tax under its charter, provided that the information will be used by that state or municipality for tax administration and that state or municipality grants substantially similar disclosure privileges to this State and provides for the secrecy of records in terms substantially similar to those provided by this section.

* * *

(17) To the Department of Financial Regulation, if such return or return information relates to the tax on premiums of captive insurance companies contained in 8 V.S.A. chapter 141.

(18) To the Vermont Student Assistance Corporation if such return or return information is necessary to verify eligibility for the matching allocation required by 16 V.S.A. § 2880d(c).

Sec. 2. 32 V.S.A. § 3208 is amended to read:

§ 3208. ADMINISTRATIVE GARNISHMENT

(a) Notwithstanding other statutes which provide for levy or execution, trustee process, or attachment, the Commissioner may garnish a taxpayer's earnings pursuant to this section to satisfy amounts collectible by the Commissioner under this title, subject to the exemptions provided in 12 V.S.A. § 3170(a) and (b)(1).

* * *

(e) If, after 15 days, the taxpayer has not petitioned for a hearing, a notice of garnishment shall direct an employer to transmit a specified portion of the taxpayer's disposable earnings to the Commissioner from each periodic payment that is due to the taxpayer until the taxpayer's obligation is paid in full. The notice shall identify the taxpayer by Social Security number. An employer is immune from any liability due to compliance with the Commissioner's notice of garnishment.

* * * Use Value Appraisals * * *

Sec. 3. 32 V.S.A. § 3754(b) is amended to read:

(b) Annually ~~in August~~ on or before October 15, the Board shall hold a public hearing and such other hearings as they deem necessary to receive public testimony on the criteria and values for use value appraisals in the coming tax year and on the administration of this subchapter.

Sec. 4. 32 V.S.A. § 3755 is amended to read:

§ 3755. ELIGIBILITY FOR USE VALUE APPRAISALS

* * *

(f) On or before September 1 of each year, the owner of agricultural land or buildings enrolled in the use value program as agricultural land or buildings shall certify in writing under oath to the Commissioner that the agricultural land or buildings enrolled by that owner continue to meet the requirements for enrollment in the use value program at the time of the certification. The form of the certification shall be made on a form specified by the Director of Property Valuation and Review.

Sec. 5. 32 V.S.A. § 3757(d) is amended to read:

(d) The land use change tax shall be due and payable by the owner 30 days after the tax notice is mailed to the taxpayer. The tax shall be paid to the Commissioner who shall remit to the municipality the lesser of one-half the tax paid or $2,000.00. The Director shall deposit three-quarters of the remainder of the tax paid in the Education Fund, and one-quarter of the remainder of the tax paid in the General Fund. The Commissioner shall issue a form to the assessing officials which shall provide for a description of the land developed, the amount of tax payable, and the fair market value of the land at the time of development or withdrawal from use value appraisal. The owner shall fill out the form and shall sign it under the penalty of perjury. After receipt of ~~payment~~ the completed and signed form, the Commissioner shall furnish the owner with one copy, shall retain one copy, and shall forward one copy to the local assessing officials, one copy to the register of deeds of the municipality

in which the land is located, and one copy to the Secretary of Agriculture, Food and Markets if the land is agricultural land and in all other cases to the Commissioner of Forests, Parks and Recreation.

* * * Property Tax * * *

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

§ 4041a. REAPPRAISAL

(a) A municipality shall be paid $8.50 per grand list parcel per year, from the equalization and reappraisal account within the education fund to be used only for reappraisal and costs related to reappraisal of its grand list properties and for maintenance of the grand list. ~~Additionally, a municipality shall be paid $3.65 per grand list parcel for the first 100 parcels $0.20 for each of the next 100 parcels, and $0.01 for each parcel in excess of 200 from the equalization and reappraisal account within the education fund, to be used only for costs to acquire assessment education provided under section 3436 of this title.~~

(b) If the Director of Property Valuation and Review determines that a municipality's education grand list is at a common level of appraisal below 80 percent or has a coefficient of dispersion greater than 20, the municipality shall reappraise its education grand list properties. If the Director orders a reappraisal, the Director shall send the municipality written notice of the decision. The municipality shall be given 30 days to contest the finding under procedural rules adopted by the Director, to develop a compliance plan, or both. If the Director accepts a proposed compliance plan submitted by the municipality, the Director shall not order commencement of the reappraisal until the municipality has had one year to carry out that plan.

(c) If a municipality fails to submit an acceptable plan or fails to carry out the plan, pursuant to subsection (b) of this section, the State shall withhold the education, transportation, and other funds from the municipality until the Director certifies that the town has carried out that plan.

(d) A sum not to exceed $100,000.00 each year shall be paid from the equalization and reappraisal account within the Education Fund to the Division of Property Valuation and Review for the purpose of providing assessment education for municipal assessing officials. The Director is authorized to establish guidelines and requirements for education programs to be provided using the funds described in this section. Education programs provided using funds described in this section shall be provided at no cost or minimal cost to the municipal assessing officials. In addition to providing the annual education programs as described in this section, up to 20 percent of the amount available for education programs may be reserved as a scholarship fund to permit

municipal assessing officials to attend national programs providing education opportunities on advanced assessment topics. All applications for scholarships shall be submitted to and approved by the Director.

~~(d)~~(e) The Director shall adopt rules necessary for administration of this section.

Sec. 7. 32 V.S.A. § 4465 is amended to read:

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

* * *

Sec. 8. 32 V.S.A. § 4467 is amended to read:

§ 4467. DETERMINATION OF APPEAL

Upon appeal to the Director or the Court, the hearing officer or Court shall proceed de novo and determine the correct valuation of the property as promptly as practicable and to determine a homestead and a housesite value if a homestead has been declared with respect to the property for the year in which the appeal is taken. The hearing officer or Court shall take into account the requirements of law as to valuation, and the provisions of Chapter I, Article 9 of the Constitution of Vermont and the 14th Amendment to the Constitution of the United States. If the hearing officer or Court finds that the listed value of the property subject to appeal does not correspond to the listed value of comparable properties within the town, the hearing officer or Court shall set said property in the list at a corresponding value. The findings and determinations of the hearing officer shall be made in writing and shall be available to the appellant. If the appeal is taken to the Director, the hearing officer ~~shall~~ may inspect the property prior to making a determination, unless one of the parties requests an inspection, in which case the hearing officer shall inspect the property prior to making a determination. Within 10 days of the appeal being filed with the Director, the Director shall notify the property owner in writing of his or her option to request an inspection under this section.

Sec. 9. TAX INCREMENT FINANCING DISTRICT AUDITS

Notwithstanding 32 V.S.A. § 5404a(l)(2), the first audit of the Milton Town Core Tax Financing District conducted by the State Auditor of Accounts shall be delayed one year to allow for completion of the first annual municipal audit that includes procedures required by 24 V.S.A. § 1901(3)(A).

Sec. 9a. 2013 Acts and Resolves No. 80, Sec. 18 is amended to read:

Sec. 18. BURLINGTON WATERFRONT TIF

(a) The authority of the City of Burlington to incur indebtedness for its waterfront tax increment financing district is hereby extended for five years beginning January 1, 2015; provided, however, that the City is authorized to extend the period to incur indebtedness for 6.5 years beginning on January 1, 2015 for three properties located within the waterfront tax increment financing district at 49 Church Street and 75 Cherry Street, as designated on the City's Tax Parcel Maps as the following:

(1) Parcel ID# 044-4-004-000;

(2) Parcel ID# 044-4-004-001;

(3) Parcel ID# 044-4-033-000.

(b) ~~This extension does not extend any period that municipal or education tax increment may be retained~~ Notwithstanding any other provision of law, the City of Burlington may extend the period to retain municipal and education tax increment for the parcels described in subdivisions (a)(1), (2), and (3) of this section until June 30, 2035. The City shall not extend the period to retain municipal or education tax increment for any other properties within the waterfront tax increment financing district.

(c) The extension of the period to incur indebtedness for the specific parcels in subdivision (a)(1)–(3) of this section is subject to the City of Burlington's submission to the Vermont Economic Progress Council of an executed construction contract with a completion guarantee by the owner of the parcels evidencing commitment to construct not less than $50 million of private development on the parcels.

Sec. 10. 1892 Acts and Resolves No. 213, Secs. 5 and 6, as amended by 1906 Acts and Resolves No. 357, Sec. 1, and as amended by 2008 Acts and Resolves No. 190, Sec. 46 is further amended to read:

Sec. 5. ~~Said corporation~~ The Corporation shall have power to purchase and receive for the charitable purposes herein indicated, by gift, bequest, devise or otherwise, real and personal property, and the same to hold, for such purposes only, and to sell and convey the same or any part thereof when expedient in the judgment of the Directors. No more than ~~fifty thousand dollars~~ $50,000.00 in value of the property of ~~said corporation~~ the Corporation which is used directly as a nonprofit elder residential care home shall be exempt from municipal property taxation, and up to $500,000.00 of the same property shall be exempt from education property taxation~~, and such property~~; provided that the property, to be ~~so~~ exempt from taxation under this section, shall be located in Brattleboro.

Sec. 6. ~~Said~~ The Corporation, in the investment of its funds, shall be governed by the laws relative to ~~Savings Banks~~ savings banks in this ~~state~~ State. ~~Neither said Corporation, nor any corporator, officer, or employee, shall have power to create a debt against the Corporations except for current expenses.~~

* * * Income Tax * * *

Sec. 11. 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 ~~2014~~ 2015, 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. 12. 32 V.S.A. § 5842 is amended to read:

§ 5842. RETURN AND PAYMENT OF WITHHELD TAXES

(a) Every person required to deduct and withhold any amount under section 5841 of this title shall make return thereof and shall pay over that amount to the Commissioner as follows:

(1) In quarterly payments to be made not later than 25 days following the last day of March, June, September, and December if the person ~~reasonably estimates that the amount to be deducted and withheld during that quarter will not exceed $2,500.00; or~~ is required to make quarterly or annual payments of federal withholding pursuant to the Internal Revenue Code.

(2) In semiweekly payments, if the person is required to make semiweekly payments of federal withholding pursuant to the Internal Revenue Code. Semiweekly shall mean payment of tax withheld for pay dates on Wednesday, Thursday, or Friday is due by the following Wednesday, and tax withheld for pay dates on Saturday, Sunday, Monday, or Tuesday is due by the following Friday.

(3) In monthly payments to be made not later than the 25th (23rd of February) day following the close of the calendar month during which the amount was withheld, if subdivisions (1) and (2) of this subsection do not apply.

(b) The Commissioner shall prescribe the method of payment of tax and may, without limitation, require electronic funds transfer or payment to a bank depository. The Commissioner may, in writing, permit or require returns to be made covering other periods and upon such dates as the Commissioner may specify and require payments of tax liability at such intervals and based upon such classifications as the Commissioner may designate:

(1) to conform to federal withholding law as the Commissioner deems appropriate;

(2) in cases in which less frequent reporting is determined by the Commissioner to be sufficient; and

(3) in cases in which the Commissioner determines that the taxpayer's repeated failure to file or pay tax makes more frequent reporting necessary to insure the prompt and orderly collection of the tax.

(c) In addition to the returns required to be filed and payments required to be made under subsection (a) of this section, every person required to deduct and withhold any tax under section 5841 of this title shall file an annual return covering the aggregate amount deducted and withheld during the entire preceding year, ~~not later than February 28~~ on or before January 31 of each year. At the time of filing that return, the person shall pay over to the Commissioner any amount deducted and withheld during the preceding calendar year and not previously paid. The person shall, further, make such annual report to payees and to the Commissioner of amounts paid and withheld as the Commissioner by regulation shall prescribe.

(d) Notwithstanding section 5867 of this title, the Commissioner may, in his or her discretion, prescribe that one or more or all of the returns required by subsection (a) of this section are not required to be signed or verified by the taxpayer. The Commissioner may require businesses and payroll service providers to file information under this section by electronic means.

Sec. 13. REPEAL

32 V.S.A. § 5912 (characterization of income) is repealed.

Sec. 14. 32 V.S.A. § 5915 is amended to read:

§ 5915. MINIMUM TAX

An S corporation which is subject to the provisions of section 5914 of this title shall pay an annual tax of $250.00 to the Commissioner of Taxes on or before the due date prescribed for the filing of ~~C corporation returns under section 5862 of this title~~ S corporation returns under subsection 6072(b) of the Internal Revenue Code.

* * * Solid Waste Tax * * *

Sec. 15. 32 V.S.A. § 5954(a) is amended to read:

(a) Every person required to pay this tax shall on or before the 30th day of the month following each calendar quarter, file a return with the Commissioner of Taxes and pay the amount of tax due. The Commissioner may require a return to be filed for quarters in which no tax is due.

* * * Homestead Property Tax Adjustment * * *

Sec. 16. 32 V.S.A. § 6061(13) is amended to read:

(13) "Homestead" means a homestead as defined under subdivision 5401(7), but not under subdivision 5401(7)(G), of this title and declared on or before ~~September 1~~ October 15 in accordance with section 5410 of this title.

Sec. 17. 32 V.S.A. § 6069 is amended to read:

§ 6069. LANDLORD CERTIFICATE

(a) ~~By~~ On or before January 31 of each year, the owner of land rented as a portion of a homestead in the prior calendar year shall furnish a certificate of rent to the Department of Taxes and to each claimant who owned a portion of the homestead and rented that land as a portion of a homestead in the prior calendar year. The certificate shall indicate the proportion of total property tax on that parcel which was assessed for municipal property tax, for local share property tax, and for statewide property tax.

(b) The owner of each rental property consisting of more than one rented homestead shall, ~~not later than~~ on or before January 31 of each year, furnish a certificate of rent to the Department of Taxes and to each person who rented a homestead from the owner at any time during the preceding calendar year. All other owners of rented homestead units shall furnish such certificate upon request of the renter. If a renter moves prior to December 31, the owner may either provide the certificate to the renter at the time of moving or mail the certificate to the forwarding address if one has been provided by the renter or in the absence of a forwarding address, to the last known address.

(c) A certificate under this section shall be in a form prescribed by the Commissioner and shall include the name of the renter, the address and any property tax parcel identification number of the homestead, notice of the requirements for eligibility for the property tax adjustment provided by this chapter, and any additional information which the Commissioner determines is appropriate.

(d)(1) An owner who knowingly fails to furnish a certificate to the Department or a renter as required by this section shall be liable to the Commissioner for a penalty of $200.00 for each failure to act. An owner shall be liable to the Commissioner for a penalty equal to the greater of $200.00 or the excess amount reported who:

(A) willfully furnishes a certificate that reports total allocable rent in excess of the actual amount paid; or

(B) reports a total amount of allocable rent that exceeds by 10 percent or more the actual amount paid.

(2) Penalties under this subsection shall be assessed and collected in the manner provided in chapter 151 for the assessment and collection of the income tax.

(e) Failure to receive a rent certificate shall not disqualify a renter from the benefits provided by this chapter.

* * * Corporation Taxes * * *

Sec. 18. 32 V.S.A. § 8146 is amended to read:

§ 8146. ADDITIONAL TAX; REFUNDS

When the Commissioner finds that owing to the incorrectness of a return or any other cause, a tax paid pursuant to this chapter is too small, he or she shall assess an additional tax sufficient to cover the deficit and shall forthwith notify the parties so assessed. The administrative provisions of chapters 103 and 151 of this title shall apply to assessments and refund claims under this chapter, including those provisions governing interest and penalty in section 3202 of chapter 103, appeals, and collection of assessments.

Sec. 19. 32 V.S.A § 8557(a) is amended to read:

(a) Sums for the expenses of the operation of training facilities and curriculum of the Vermont Fire Service Training Council not to exceed ~~$950,000.00~~ $1,200,000.00 per year shall be paid to the Fire Safety Special Fund created by 20 V.S.A. § 3157 by insurance companies, including surplus lines companies, writing fire, homeowners multiple peril, allied lines, farm owners multiple peril, commercial multiple peril (fire and allied lines), private passenger and commercial auto, and inland marine policies on property and persons situated within the State of Vermont within 30 days after notice from the Commissioner of Financial Regulation of such estimated expenses. Captive companies shall be excluded from the effect of this section. The Commissioner shall annually, on or before July 1, apportion such charges among all such companies and shall assess them for the same on a fair and reasonable basis as a percentage of their gross direct written premiums on such insurance written during the second prior calendar year on property situated in the State. An amount not less than $100,000.00 shall be specifically allocated to the provision of what are now or formerly referred to as Level I, units I, II, and III (basic) courses for entry level firefighters. An amount not less than $150,000.00 shall be specifically allocated to the Emergency Medical Services Special Fund established under 18 V.S.A. § 908 for the provision of training programs for emergency medical technicians, advanced emergency medical technicians, and paramedics. The Department of Health shall present a plan to the Joint Fiscal Committee which shall review the plan prior to release of any funds.

* * * Meals and Rooms Tax * * *

Sec. 20. 32 V.S.A. § 9202(15) is amended to read:

(15) "Restaurant" means:

(A) An establishment from which food or beverage of the type for immediate consumption is sold or for which a charge is made, including a cafe, cafeteria, dining room, diner, lunch counter, snack bar, private or social club, bar, tavern, street vendor, or person engaged in the business of catering.

(B) An establishment 80 percent or more of whose total sales of food and beverage in the previous taxable year were, or in the first taxable year are reasonably projected to be, of alcoholic beverages, food, and beverage that are taxable under subdivision (10)(C) of this section, and food and beverage that are taxable under subdivision (10)(B) and are not exempt under subdivision (10)(D) of this section.

(C) "Restaurant" shall not include a snack bar on the premises of a retail grocery or "convenience" store.

~~(D) A vending machine is not a restaurant, but food or beverage that is sold from a vending machine shall be deemed to be sold by a "restaurant" if the vending machine is located on the premises of a restaurant.~~

Sec. 21. PRIVATE SHORT-TERM RENTALS

Given the growth in private short-term rentals in the State, the Department of Taxes shall pursue negotiations to enter into a contract for the collection and remittance of the rooms and meals tax under 32 V.S.A. chapter 225 with persons who provide an Internet platform for the short-term rental of property for occupancy. The Department of Taxes shall report to the Senate Committee on Finance and the House Committee on Ways and Means on or before January 15, 2017 on the status of any contracts signed under this section.

Sec. 21a. 32 V.S.A. § 9248 is added to read:

§ 9248. INFORMATIONAL REPORTING

The Department of Taxes shall collect information on operators from persons providing an Internet platform for the short-term rental of property for occupancy in this State. The information collected shall include any information the Commissioner shall require, and the name, address, and terms of the rental transactions of persons acting as operators through the Internet platform. The failure to provide information as required under this section shall subject the person operating the Internet platform to a fine of $5.00 for each instance of failure. The Commissioner is authorized to adopt rules and procedures to implement this section.

* * * Sales and Use Tax – Contractors * * *

Sec. 22. 32 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

* * *

(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. A manufacturer or retailer shall be treated as a contractor when purchasing material and supplies for use by them in erecting structures or otherwise improving, altering, or repairing real property unless an election is made under section 9711 of this title.

* * *

Sec. 23. 32 V.S.A. § 9711 is added to read:

§ 9711. ELECTION BY MANUFACTURER OR RETAILER

(a) As used in this section:

(1) "Manufacturer" is any person that is primarily engaged in the business of manufacturing tangible personal property for sale.

(2) "Retailer" is any person that is primarily engaged in the business of making retail sales of tangible personal property.

(b) A manufacturer or retailer that purchases material and supplies for use by them in erecting structures or otherwise improving, altering, or repairing real property shall be permitted to make an election that it will be treated as a retailer on the purchase of those materials and supplies and such purchase will not be considered a retail sale under subdivision 9701(5) of this title.

(c) A manufacturer or retailer making an election under subsection (b) of this section shall charge sales tax to its customer on its materials and supplies or, in the case of a manufacturer, the finished manufactured products, when it uses those materials, supplies, or finished manufactured products in erecting structures or otherwise improving, altering, or repairing real property. The sales price for the purposes of calculating sales tax on materials, supplies, or finished manufactured products shall not be less than the manufacturer's or retailer's best customer price. The tax charged shall be separately stated on any invoice or receipt.

(d) An election made under subsection (b) of this section shall be binding on a manufacturer or retailer for a minimum of five years and shall remain in effect until the manufacturer or retailer files a withdrawal of election. No

manufacturer or retailer shall be entitled to a refund on the basis of a withdrawal of an election.

(e) The provisions of this section shall not excuse any person from the obligation to collect tax on retail sales of tangible personal property not used in erecting structures or otherwise improving, altering, or repairing real property or from the obligation to pay sales tax or remit the use tax on tools, services, and other materials that are not used in erecting structures or otherwise improving, altering, or repairing real property.

(f) An election made under subsection (b) of this section shall be made on a form prescribed by the Commissioner and filed with the Department of Taxes at least 30 days prior to such election taking effect.

Sec. 24. 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~~;

* * *

* * * Sales and Use Tax – Out-of-State Vendors * * *

Sec. 25. 32 V.S.A. § 9701(54) is added to read:

(54) "Noncollecting vendor" means a vendor that sells tangible personal property or services to purchasers who are not exempt from the sales tax under this chapter, but that does not collect the Vermont sales tax.

Sec. 26. 32 V.S.A. § 9712 is added to read:

§ 9712. NOTICE REQUIREMENTS FOR NONCOLLECTING VENDORS

(a) Each noncollecting vendor making sales into Vermont shall notify Vermont purchasers that sales or use tax is due on nonexempt purchases made from the noncollecting vendor and that the State of Vermont requires the purchaser to pay the tax due on his or her tax return. Failure to provide the notice required by this subsection shall subject the noncollecting vendor to a penalty of $5.00 for each such failure, unless the noncollecting vendor shows reasonable cause for such failure.

(b) Each noncollecting vendor shall send notification to all Vermont purchasers on or before January 31 of each year showing the total amount paid by the purchaser for Vermont purchases made from the noncollecting vendor in the previous calendar year. The notice requirement in this subsection only applies to Vermont purchasers who have made $500.00 or more of purchases from the noncollecting vendor in the previous calendar year. The notice shall include any information required by the Commissioner by rule. The notification shall state that the State of Vermont requires a sales or use tax return to be filed and sales or use tax paid on nonexempt purchases made by the purchaser from the noncollecting vendor. The notification required by this subsection shall be sent separately to all Vermont purchasers by first-class mail or electronic mail and shall not be included with any other shipments. The notification shall include the words "Important Tax Document Enclosed" on the exterior of the mailing. The notification shall include the name of the noncollecting vendor. Failure to send the notification required by this subsection shall subject the noncollecting vendor to a penalty of $10.00 for each such failure, unless the noncollecting vendor shows reasonable cause for such failure.

(c) Each noncollecting vendor shall file an annual statement for each purchaser with the Department of Taxes, on forms required by the Commissioner, showing the total amount paid for Vermont purchases by that purchaser during the preceding calendar year or any portion thereof, and this annual statement shall be filed on or before March 1 of each year. The notice requirements of this subsection only apply to noncollecting vendors who make $100,000.00 or more of sales into Vermont in the previous calendar year. Failure to file the annual statement required by this subsection shall subject the noncollecting vendor to a penalty of $10.00 for each purchaser that should have been included in the annual statement, unless the noncollecting vendor shows reasonable cause for such failure.

(d) The Commissioner is authorized to adopt rules or procedures, or to create forms, necessary to implement this section. Penalties imposed under this section shall be subject to the same administrative and appeal provisions of this chapter as if imposed under section 3202 of this title.

Sec. 27. 32 V.S.A. § 9701(9)(F) is amended to read:

(F) ~~A person making sales of tangible personal property from outside this State to a destination within this State and not maintaining a place of business in this State who engages in regular, systematic, or seasonal solicitation of sales of tangible personal property in this State:~~

~~(i) by the display of advertisements in this State;~~

~~(ii) by the distribution of catalogs, periodicals, advertising flyers, or other advertising by means of print, radio, or television media; or~~

~~(iii) by mail, telegraphy, telephone, computer database, cable, optic, microwave, or other communication systems, for the purpose of effecting sales of tangible personal property; provided such person has made sales from outside this State to destinations within this State of at least $50,000.00 during any 12-month period preceding the monthly or quarterly period with respect to which such person's liability for tax under this chapter is determined.~~

A person making sales of tangible personal property from outside this State to a destination within this State and not maintaining a place of business or other physical presence in this State that:

(i) engages in regular, systematic, or seasonal solicitation of sales of tangible personal property in this State:

(I) by the display of advertisements in this State;

(II) by the distribution of catalogues, periodicals, advertising flyers, or other advertising by means of print, radio, or television media; or

(III) by mail, Internet, telephone, computer database, cable, optic, cellular, or other communication systems, for the purpose of effecting sales of tangible personal property; and

(ii) has either made sales from outside this State to destinations within this State of at least $100,000.00, or totaling at least 200 individual sales transactions, during any 12-month period preceding the monthly period with respect to which that person's liability for tax under this chapter is determined.

* * * Health Care Provisions* * *

Sec. 28. 18 V.S.A. § 9607 is amended to read:

§ 9607. FUNDING; ~~INTENT~~ ALLOCATION OF EXPENSES

(a) The Office of the Health Care Advocate shall specify in its annual report filed pursuant to this chapter the sums expended by the Office in carrying out its duties, including identifying the specific amount expended for actuarial services.

(b)(1) Expenses incurred by the Office of the Health Care Advocate for services related to the Green Mountain Care Board's and Department of Financial Regulation's regulatory and supervisory duties shall be borne as follows:

(A) 27.5 percent by the State from State monies;

(B) 24.2 percent by the hospitals;

(C) 24.2 percent by nonprofit hospital and medical service corporations licensed under 8 V.S.A. chapter 123 or 125; and

(D) 24.2 percent by health insurance companies licensed under 8 V.S.A. chapter 101.

(2) Expenses under subdivision (1) of this subsection shall be billed to persons licensed under Title 8 based on premiums paid for health care coverage, which for the purposes of this section shall include major medical, comprehensive medical, hospital or surgical coverage, and comprehensive health care services plans, but shall not include long-term care or limited benefits, disability, credit or stop loss, or excess loss insurance coverage.

(3) The Green Mountain Care Board shall administer the bill back authority created in this subsection on behalf of the Agency of Administration in support of the Agency's contract with the Office of the Health Care Advocate pursuant to section 9602 of this title to carry out the duties set forth in this chapter.

(c) It is the intent of the General Assembly that the Office of the Health Care Advocate shall maximize the amount of federal and grant funds available to support the activities of the Office.

Sec. 29. 33 V.S.A. § 1951 is amended to read:

§ 1951. DEFINITIONS

As used in this subchapter:

* * *

(15) "Ambulance agency" means an ambulance agency licensed pursuant to 18 V.S.A. chapter 17.

Sec. 30. 33 V.S.A. § 1959 is added to read:

§ 1959. AMBULANCE AGENCY ASSESSMENT

(a) The annual assessment for each ambulance agency shall be 3.3 percent of the ambulance agency's annual net patient revenues for services delivered to patients in Vermont during the most recent annual fiscal period. The Department shall determine the appropriate fiscal period as necessary to ensure compliance with federal law. Ambulance agencies shall remit the assessment amount to the Department annually on or before March 31, beginning with March 31, 2017.

(b) The Department shall provide written notification of the assessment amount to each ambulance agency. The assessment amount determined shall

be considered final unless the agency requests reconsideration. Requests for reconsideration shall be subject to the provisions of section 1958 of this title.

(c) Each ambulance agency shall remit its assessment to the Department according to a schedule adopted by the Commissioner. The Commissioner may permit variations in the schedule of payment as deemed necessary.

(d) Any ambulance agency that fails to make a payment to the Department on or before the specified schedule, or under any schedule of delayed payments established by the Commissioner, shall be assessed not more than $1,000.00. The Commissioner may waive the late-payment assessment provided in this subsection for good cause shown by the ambulance agency.

Sec. 31. AMBULANCE PROVIDER TAX; INTENT

In establishing a provider tax on ambulance agencies, it is the intent of the General Assembly to increase Medicaid reimbursement rates to these providers while ensuring full compliance with 42 C.F.R. 433.68.

* * *

Sec. 32. 33 V.S.A. § 1955a is amended to read:

§ 1955a. HOME HEALTH AGENCY ASSESSMENT

(a) Beginning on October 1, ~~2011~~ 2016, each home health agency's assessment shall be the greater of 19.30 percent of its net operating revenues from core home health care services, excluding revenues for services provided under Title XVIII of the federal Social Security Act, or two percent of its annual net patient revenue; provided, however, that each home health agency's annual assessment shall be limited to no more than ~~six~~ 4.5 percent of its annual net patient revenue. The amount of the tax shall be determined by the Commissioner based on the home health agency's most recent audited financial statements at the time of submission, a copy of which shall be provided on or before May 1 of each year to the Department. For providers who begin operations as a home health agency after January 1, 2005, the tax shall be assessed as follows:

* * *

Sec. 33. HOME HEALTH AGENCY ASSESSMENT WORKING GROUP; REPORT

(a) The Department of Vermont Health Access shall convene a working group comprising nonprofit and for-profit home health agencies and other interested stakeholders to develop a common understanding, for purposes of the home health agency assessment established in 33 V.S.A. § 1955a, of:

(1) core home health agency services;

(2) net operating revenue for core home health agency services;

(3) net patient revenue; and

(4) criteria for determining medical necessity.

(b) On or before October 1, 2016, the Department shall provide the results of the working group's meetings and any recommendations for statutory modifications to the Health Reform Oversight Committee, the House Committees on Health Care and on Ways and Means, and the Senate Committees on Health and Welfare and on Finance.

* * * Fuel Gross Receipts Tax * * *

Sec. 34. 32 V.S.A. § 2501(d) is added to read:

(d) The Emergency Board shall adopt an official revenue estimate for the fuel gross receipts tax under section 2503 of this title in the same manner as it does for other revenues under 32 V.S.A. § 305a.

Sec. 35. 33 V.S.A. § 2503 is amended to read:

§ 2503. FUEL GROSS RECEIPTS TAX

(a) There is imposed a gross receipts tax of:

(1) ~~0.5~~ 0.75 percent on the retail sale of the following types of fuel:

~~(1)~~(A) heating oil, propane, kerosene, and other dyed diesel fuel delivered to a residence or business;

~~(2) natural gas;~~

~~(3) electricity;~~ and

~~(4)~~(B) coal.

(2) There is imposed a gross receipts tax of 0.5 percent on the retail sale of natural gas and electricity.

* * *

(d) ~~Fuel sellers, which are regulated "companies" as defined in subsection 30 V.S.A. § 201(a), which provide conservation programs that meet the goals of the Weatherization Program in a manner approved by the Public Service Board, and which enhance the Weatherization Program's capacity to serve low-income households may be eligible for rebates from the fuel gross receipts tax imposed under this section. To establish rebate eligibility, a company shall file with the Public Service Board, on or before August 15 of each year, a request for approval of rebates based on the company's activities during the prior fiscal year. The Public Service Board shall make a determination of the amount of rebate for each applicant on or before January 15 of each year, and~~

~~such amount shall be rebated by the State Office of Economic Opportunity under the provisions of subsection (f) of this section. The Public Service Board shall authorize rebates equal to the expenditures undertaken by the regulated utilities provided that such expenditures were prudently incurred and cost-effective, that they provided weatherization services following a comprehensive energy audit and work plan, except in cases where the fuel seller and weatherization staff jointly conclude that the need for weatherization services can be determined without a comprehensive energy audit, and that they were targeted to households that meet the eligibility criteria for low-income weatherization services as determined by the Office of Economic Opportunity.~~

~~(e) Unregulated fuel sellers providing conservation programs that meet the goals of the Weatherization Program in a manner approved by the State Office of Economic Opportunity and that enhance the weatherization program's capacity to serve low-income households may be eligible for rebates from the fuel gross receipts tax imposed under this section. To establish rebate eligibility, a company shall file with the State Office of Economic Opportunity, on or before August 15 of each year, a request for approval of rebates based on the company's activities during the prior fiscal year. The State Office of Economic Opportunity shall make a determination of the amount of rebate for each applicant on or before January 15 of each year, and that amount shall be rebated by the State Office of Economic Opportunity under the provisions of this subsection. The State Office of Economic Opportunity shall authorize rebates equal to the expenditures undertaken by the unregulated fuel sellers provided that the expenditures were prudently incurred and cost-effective, that they provided weatherization services following a comprehensive energy audit and work plan, except in cases where the fuel seller and weatherization staff jointly conclude that the need for weatherization services can be determined without a comprehensive energy audit, and that they were targeted to households at or below 150 percent of the federally established poverty guidelines.~~

~~(f) On or before August 7 of each year, the Director of the State Office of Economic Opportunity shall set aside a sum of money equaling two and one-half percent of the tax receipts of the fuel gross receipts tax for the preceding fiscal year in an escrow account. The monies in the escrow account are to be used for rebate, as approved under subsections (d) and (e) of this section, of the gross receipts tax established in subsection (a) of this section. Upon approval of rebates, the Director shall pay the approved rebates out of the escrow account. In the event that the approved rebates exceed the amount of money set aside in the escrow account, the Director shall prorate each rebate. Any balance of rebate awards remaining unpaid as a result of proration~~

~~may be carried forward for payment in a succeeding year. If monies set aside exceed approved rebates, then the balance shall be returned to the Fund. The Director of the State Office of Economic Opportunity shall use the remainder of the tax receipts of the fuel gross receipts tax for the preceding fiscal year to assure the provision of weatherization services as described in subsections 2502(a), (b), and (c) of this title.~~

~~(g)~~ No tax under this section shall be imposed for any ~~quarter~~ month ending after June 30, ~~2016. Monies from the escrow account shall be issued for rebates pursuant to subsection (f) of this section until March 1, 2017~~ 2017.

Sec. 36. STUDY ON FUEL GROSS RECEIPTS TAX

The Vermont Department of Taxes, with the assistance of other executive agencies, shall report to the General Assembly on or before November 15, 2016 with a specific proposal to restructure the fuel gross receipts tax from one based on gross receipts to one based on a levy for each unit of fuel source, including draft legislation to implement the proposal. The proposal shall be designed to raise the same amount of revenue as the fuel gross receipts tax did for a three-year average from fiscal years 2013–2015.

Sec. 36a. ANALYSIS OF ADMINISTRATIVE COSTS

The Joint Fiscal Office shall conduct an analysis of the administrative costs associated with seasonal and crisis fuel and weatherization programs for the State of Vermont. The Joint Fiscal Office shall report its findings to the Senate Committees on Finance, Health and Welfare, and Appropriations, and the House Committees on Ways and Means, Human Services, and Appropriations on or before December 15, 2016.

* * * Filing Periods * * *

Sec. 37. 32 V.S.A. § 5836(c) is amended to read:

(c) The tax imposed by this section shall be paid ~~quarterly~~ monthly to the Commissioner ~~not later than~~ on or before the 25th day of ~~the~~ each month ~~following the last day of each quarter of the corporation's taxable year under the federal Internal Revenue Code, for the three months of that quarter~~ for the tax due in the previous month.

Sec. 38. 32 V.S.A. § 8521 is amended to read:

§ 8521. IMPOSITION AND RATE OF TAX

(a) There is hereby assessed, upon each person or corporation owning or operating a telephone line or business within the State, a tax equal to 2.37 percent of net book value as of the preceding December 31 of all personal property of the taxpayer located within the State. The tax shall be paid to the

Commissioner in equal ~~quarterly~~ monthly installments ~~no later than~~ on or before the 25th day of ~~the third, sixth, ninth, and 12th month of each taxable year~~ each month of each taxable year.

* * *

(f) When personal property is transferred during the year from a person or corporation subject to a tax imposed by this subchapter to another person or corporation ~~who~~ that operates or will operate a telephone line or business in the State:

(1) for ~~quarters~~ months beginning after the date of transfer, the transferee shall include the net book value of the transferred property as of the date of transfer in the calculation of the tax due under subsection (a) of this section and the transferor shall exclude such value from its calculation of its tax under subsection (a);

(2) for the ~~quarter~~ month during which the transfer occurs, the transferor shall include the net book value of the transferred property as of the preceding December 31 multiplied by the number of days during the ~~quarter~~ month it owned the property and divided by the total number of days in the ~~quarter~~ month and the transferee shall include the net book value of the property as of the date of transfer multiplied by the number of days during the ~~quarter~~ month it owned the property divided by the number of days in the ~~quarter~~ month.

Sec. 39. 33 V.S.A. § 2503(b) is amended to read:

(b) The tax shall be levied upon and collected ~~quarterly~~ monthly from the seller. Fuel sellers may include the following message on their bills to customers:

"The amount of this bill includes a ~~0.5%~~ 0.75% gross receipts tax, enacted in 1990, for support of Vermont's Low Income Home Weatherization Program."

* * * Evaluation of Tax Expenditures * * *

Sec. 40. EXPEDITED REVIEW OF CERTAIN TAX EXPENDITURES

The Department of Taxes and the Joint Fiscal Office shall conduct an expedited review of certain tax expenditures as outlined in Appendix C of the report required by 2015 Acts and Resolves No. 33. As used in this section, "expedited review" means an evaluation of a tax expenditure that analyzes the purpose of the tax expenditure, delineates its cost and benefits, and considers whether it still meets its policy goals. The specific tax expenditures receiving expedited review, and the schedule for conducting that review, shall be as follows:

(1) For the tax expenditure report due in January 2017, the tax expenditures related to encouraging economic growth and investment shall be reviewed.

(2) For the tax expenditure report due in January 2019, the tax expenditures related to incentivizing a specific desirable outcome, including agriculture, and related to excluding charitable and public service organizations from taxation shall be reviewed.

(3) For the tax expenditure report due in January 2021, the tax expenditures related to enhancing community development, including housing and historic revitalization, shall be reviewed.

(4) For the tax expenditure report due in January 2023, the tax expenditures related to promoting income security and encouraging work; exempting the necessities of life, including health care, from taxation; and implementing State tax policy and other priorities shall be reviewed.

* * * Effective Dates * * *

Sec. 41. EFFECTIVE DATES

This act shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Sec. 11 (annual update of income tax link to the IRC) shall take effect retroactively on January 1, 2015 and apply to taxable years beginning on and after January 1, 2015.

(2) Secs. 12 (withholding and W2s), 15 (solid waste tax returns), 22–24 (sales tax contractors), 28–30 (ambulance provider tax), and 35 (fuel gross receipts tax) shall take effect on July 1, 2016.

(3) Sec. 19 (fire service training council) shall take effect for fiscal years 2017 and after.

(4) Secs. 21a (informational reporting) and 25–26 (definition of vendor and out-of-state vendor notification requirements) shall take effect on the earlier of July 1, 2017 or beginning on the first day of the first quarter after a resolution favorable to the State of Colorado in *Direct Marketing Assoc. v. Brohl*, 814 F.3d 1129 (10th Cir. 2016).

(5) Sec. 27 (definition of vendor) shall take effect on the later of July 1, 2017 or beginning on the first day of the first quarter after a controlling court decision or federal legislation abrogates the physical presence requirement of *Quill v. North Dakota*, 504 U.S. 298 (1992).

(6) Secs. 37 (filing period for bank franchise tax), 38 (filing period for telephone company tax) and 39 (filing period for fuel gross receipts tax) shall take effect on January 1, 2017.

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. 875.

Senator Kitchel, for the Committee on Appropriations, to which was referred House bill entitled:

An act relating to making appropriations for the support of government.

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. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2017 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 2017. 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, 2016. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2017 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 2017.

(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, 2017.

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 2017, 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 2017, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2016 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 2017 except for new positions authorized by the 2016 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction, nor shall positions created pursuant to the Position Pilot Program authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d) as amended by 2015 Acts and Resolves No. 4, Sec. 74, and further amended by Sec. E.100.2 of this act.

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:

B.100–B.199 and E.100–E.199	General Government
B.200–B.299 and E.200–E.299	Protection to Persons and Property
B.300–B.399 and E.300–E.399	Human Services
B.400–B.499 and E.400–E.499	Labor
B.500–B.599 and E.500–E.599	General Education
B.600–B.699 and E.600–E.699	Higher Education
B.700–B.799 and E.700–E.799	Natural Resources
B.800–B.899 and E.800–E.899	Commerce and Community Development
B.900–B.999 and E.900–E.999	Transportation

B.1000–B.1099 and E.1000–E.1099	Debt Service
B.1100–B.1199 and E.1100–E.1199	One-time and other appropriation actions

(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	2,942,679
Operating expenses	211,182
Total	3,153,861
Source of funds	
General fund	1,290,708
Interdepartmental transfers	1,863,153
Total	3,153,861

Sec. B.101 Secretary of administration - finance

Personal services	1,150,551
Operating expenses	132,430
Total	1,282,981
Source of funds	
Interdepartmental transfers	1,282,981
Total	1,282,981

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	1,109,499
Operating expenses	232,792
Total	1,342,291
Source of funds	
Internal service funds	1,342,291
Total	1,342,291

Sec. B.103 Secretary of administration - general liability insurance

Personal services	304,537
Operating expenses	62,108
Total	366,645
Source of funds	
Internal service funds	366,645
Total	366,645

Sec. B.104 Secretary of administration - all other insurance

Personal services	21,565
Operating expenses	16,578
Total	38,143
Source of funds	
Internal service funds	38,143
Total	38,143

Sec. B.105 Information and innovation - communications and information technology

Personal services	23,273,904
Operating expenses	16,514,093
Total	39,787,997
Source of funds	
Internal service funds	39,787,997
Total	39,787,997

Sec. B.106 Finance and management - budget and management

Personal services	1,312,845
Operating expenses	252,190
Total	1,565,035
Source of funds	
General fund	1,133,838
Interdepartmental transfers	431,197
Total	1,565,035

Sec. B.107 Finance and management - financial operations

Personal services	2,365,616
Operating expenses	668,947
Total	3,034,563
Source of funds	
Internal service funds	3,034,563
Total	3,034,563

Sec. B.108 Human resources - operations

Personal services	7,186,765
Operating expenses	937,445
Total	8,124,210
Source of funds	
General fund	1,823,395
Special funds	244,912
Internal service funds	5,518,595

Interdepartmental transfers	537,308
Total	8,124,210

Sec. B.108.1 Human Resources - VTHR Operations

Personal services	1,746,553
Operating expenses	655,960
Total	2,402,513
Source of funds	
Internal service funds	2,402,513
Total	2,402,513

Sec. B.109 Human resources - employee benefits & wellness

Personal services	1,201,356
Operating expenses	578,585
Total	1,779,941
Source of funds	
Internal service funds	1,779,941
Total	1,779,941

Sec. B.110 Libraries

Personal services	1,785,527
Operating expenses	1,439,081
Grants	175,512
Total	3,400,120
Source of funds	
General fund	2,337,163
Special funds	104,857
Federal funds	861,098
Interdepartmental transfers	97,002
Total	3,400,120

Sec. B.111 Tax - administration/collection

Personal services	14,086,964
Operating expenses	3,775,766
Total	17,862,730
Source of funds	
General fund	16,349,276
Special funds	1,370,888
Interdepartmental transfers	142,566
Total	17,862,730

Sec. B.112 Buildings and general services - administration

Personal services	613,649
Operating expenses	103,560
Total	717,209
Source of funds	
Interdepartmental transfers	717,209
Total	717,209

Sec. B.113 Buildings and general services - engineering

Personal services	2,797,007
Operating expenses	756,054
Total	3,553,061
Source of funds	
Interdepartmental transfers	3,553,061
Total	3,553,061

Sec. B.114 Buildings and general services - information centers

Personal services	3,460,339
Operating expenses	1,260,232
Grants	33,000
Total	4,753,571
Source of funds	
General fund	677,224
Transportation fund	4,014,502
Special funds	61,845
Total	4,753,571

Sec. B.115 Buildings and general services - purchasing

Personal services	936,852
Operating expenses	190,281
Total	1,127,133
Source of funds	
General fund	1,127,133
Total	1,127,133

Sec. B.116 Buildings and general services - postal services

Personal services	715,610
Operating expenses	114,736
Total	830,346
Source of funds	
General fund	83,221

Internal service funds	747,125
Total	830,346

Sec. B.117 Buildings and general services - copy center

Personal services	660,219
Operating expenses	162,809
Total	823,028
Source of funds	
Internal service funds	823,028
Total	823,028

Sec. B.118 Buildings and general services - fleet management services

Personal services	663,543
Operating expenses	222,056
Total	885,599
Source of funds	
Internal service funds	885,599
Total	885,599

Sec. B.119 Buildings and general services - federal surplus property

Personal services	24,386
Operating expenses	5,771
Total	30,157
Source of funds	
Enterprise funds	30,157
Total	30,157

Sec. B.120 Buildings and general services - state surplus property

Personal services	107,634
Operating expenses	108,954
Total	216,588
Source of funds	
Internal service funds	216,588
Total	216,588

Sec. B.121 Buildings and general services - property management

Personal services	1,016,964
Operating expenses	1,131,458
Total	2,148,422
Source of funds	
Internal service funds	2,148,422
Total	2,148,422

Sec. B.122 Buildings and general services - fee for space

Personal services	15,088,221
Operating expenses	13,420,970
Total	28,509,191
Source of funds	
Internal service funds	28,509,191
Total	28,509,191

Sec. B.124 Executive office - governor's office

Personal services	1,627,847
Operating expenses	460,416
Total	2,088,263
Source of funds	
General fund	1,695,176
Interdepartmental transfers	393,087
Total	2,088,263

Sec. B.125 Legislative council

Personal services	3,278,142
Operating expenses	910,056
Total	4,188,198
Source of funds	
General fund	4,188,198
Total	4,188,198

Sec. B.126 Legislature

Personal services	3,671,819
Operating expenses	3,592,956
Total	7,264,775
Source of funds	
General fund	7,264,775
Total	7,264,775

Sec. B.127 Joint fiscal committee

Personal services	1,535,079
Operating expenses	113,801
Total	1,648,880
Source of funds	
General fund	1,648,880
Total	1,648,880

Sec. B.128 Sergeant at arms

Personal services	598,470
Operating expenses	72,904
Total	671,374
Source of funds	
General fund	671,374
Total	671,374

Sec. B.129 Lieutenant governor

Personal services	164,873
Operating expenses	29,614
Total	194,487
Source of funds	
General fund	194,487
Total	194,487

Sec. B.130 Auditor of accounts

Personal services	3,691,861
Operating expenses	151,915
Total	3,843,776
Source of funds	
General fund	418,307
Special funds	53,145
Internal service funds	3,372,324
Total	3,843,776

Sec. B.131 State treasurer

Personal services	3,337,295
Operating expenses	265,138
Total	3,602,433
Source of funds	
General fund	1,022,452
Special funds	2,471,709
Interdepartmental transfers	108,272
Total	3,602,433

Sec. B.132 State treasurer - unclaimed property

Personal services	832,146
Operating expenses	293,555
Total	1,125,701

Source of funds	
Private purpose trust funds	1,125,701
Total	1,125,701

Sec. B.133 Vermont state retirement system

Personal services	7,920,899
Operating expenses	1,266,225
Total	9,187,124
Source of funds	
Pension trust funds	9,187,124
Total	9,187,124

Sec. B.134 Municipal employees' retirement system

Personal services	2,649,446
Operating expenses	700,137
Total	3,349,583
Source of funds	
Pension trust funds	3,349,583
Total	3,349,583

Sec. B.135 State labor relations board

Personal services	203,674
Operating expenses	43,645
Total	247,319
Source of funds	
General fund	237,743
Special funds	6,788
Interdepartmental transfers	2,788
Total	247,319

Sec. B.136 VOSHA review board

Personal services	54,576
Operating expenses	18,646
Total	73,222
Source of funds	
General fund	36,611
Interdepartmental transfers	36,611
Total	73,222

Sec. B.137 Homeowner rebate

Grants	16,200,000
Total	16,200,000

Source of funds	
General fund	16,200,000
Total	16,200,000

Sec. B.138 Renter rebate

Grants	10,400,000
Total	10,400,000
Source of funds	
General fund	3,120,000
Education fund	7,280,000
Total	10,400,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	3,425,000
Total	3,425,000
Source of funds	
Education fund	3,425,000
Total	3,425,000

Sec. B.140 Municipal current use

Grants	15,321,776
Total	15,321,776
Source of funds	
General fund	15,321,776
Total	15,321,776

Sec. B.141 Lottery commission

Personal services	1,934,113
Operating expenses	1,309,216
Grants	150,000
Total	3,393,329
Source of funds	
Enterprise funds	3,393,329
Total	3,393,329

Sec. B.142 Payments in lieu of taxes

Grants	7,211,000
Total	7,211,000
Source of funds	
Special funds	7,211,000
Total	7,211,000

Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	184,000
Total	184,000
Source of funds	
Special funds	184,000
Total	184,000

Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	40,000
Total	40,000
Source of funds	
Special funds	40,000
Total	40,000

Sec. B.145 Total general government

Source of funds	
General fund	76,841,737
Transportation fund	4,014,502
Special funds	11,749,144
Education fund	10,705,000
Federal funds	861,098
Internal service funds	90,972,965
Interdepartmental transfers	9,165,235
Enterprise funds	3,423,486
Pension trust funds	12,536,707
Private purpose trust funds	1,125,701
Total	221,395,575

Sec. B.200 Attorney general

Personal services	8,900,530
Operating expenses	1,386,540
Grants	26,894
Total	10,313,964
Source of funds	
General fund	4,338,420
Special funds	1,967,408
Tobacco fund	530,790
Federal funds	1,067,909
Interdepartmental transfers	2,409,437
Total	10,313,964

Sec. B.201 Vermont court diversion

Personal services	63,550
Operating expenses	500
Grants	1,996,483
Total	2,060,533
Source of funds	
General fund	1,396,486
Special funds	664,047
Total	2,060,533

Sec. B.202 Defender general - public defense

Personal services	10,329,892
Operating expenses	1,026,336
Total	11,356,228
Source of funds	
General fund	10,767,676
Special funds	588,552
Total	11,356,228

Sec. B.203 Defender general - assigned counsel

Personal services	5,489,474
Operating expenses	49,819
Total	5,539,293
Source of funds	
General fund	5,539,293
Total	5,539,293

Sec. B.204 Judiciary

Personal services	36,393,453
Operating expenses	8,552,590
Grants	76,030
Total	45,022,073
Source of funds	
General fund	39,433,856
Special funds	2,667,459
Tobacco fund	39,031
Federal funds	556,455
Interdepartmental transfers	2,325,272
Total	45,022,073

Sec. B.205 State's attorneys	
Personal services	11,690,469
Operating expenses	1,945,843
Total	13,636,312
Source of funds	
General fund	10,990,771
Special funds	105,855
Federal funds	31,000
Interdepartmental transfers	2,508,686
Total	13,636,312
Sec. B.206 Special investigative unit	
Personal services	90,000
Operating expenses	1,100
Grants	1,750,000
Total	1,841,100
Source of funds	
General fund	1,841,100
Total	1,841,100
Sec. B.207 Sheriffs	
Personal services	3,889,833
Operating expenses	425,800
Total	4,315,633
Source of funds	
General fund	4,315,633
Total	4,315,633
Sec. B.208 Public safety - administration	
Personal services	2,581,402
Operating expenses	2,517,522
Total	5,098,924
Source of funds	
General fund	2,805,505
Federal funds	270,726
Interdepartmental transfers	2,022,693
Total	5,098,924
Sec. B.209 Public safety - state police	
Personal services	51,937,925
Operating expenses	9,569,462
Grants	759,635
Total	62,267,022

Source of funds	
General fund	33,887,477
Transportation fund	21,550,000
Special funds	2,849,249
Federal funds	2,161,852
Interdepartmental transfers	1,818,444
Total	62,267,022

Sec. B.210 Public safety - criminal justice services

Personal services	8,605,625
Operating expenses	2,525,328
Grants	191,650
Total	11,322,603
Source of funds	
General fund	7,090,142
Special funds	1,941,138
Federal funds	1,327,086
Interdepartmental transfers	964,237
Total	11,322,603

Sec. B.211 Public safety - emergency management and homeland security

Personal services	3,137,644
Operating expenses	1,458,342
Grants	17,207,831
Total	21,803,817
Source of funds	
General fund	502,542
Federal funds	21,113,661
Interdepartmental transfers	187,614
Total	21,803,817

Sec. B.212 Public safety - fire safety

Personal services	6,263,825
Operating expenses	2,591,448
Grants	107,000
Total	8,962,273
Source of funds	
General fund	383,349
Special funds	8,179,056
Federal funds	354,868
Interdepartmental transfers	45,000
Total	8,962,273

Sec. B.215 Military - administration	
Personal services	708,516
Operating expenses	341,919
Grants	100,000
Total	1,150,435
Source of funds	
General fund	1,150,435
Total	1,150,435
Sec. B.216 Military - air service contract	
Personal services	5,453,003
Operating expenses	1,026,294
Total	6,479,297
Source of funds	
General fund	552,185
Federal funds	5,927,112
Total	6,479,297
Sec. B.217 Military - army service contract	
Personal services	10,640,120
Operating expenses	6,883,650
Total	17,523,770
Source of funds	
Federal funds	17,523,770
Total	17,523,770
Sec. B.218 Military - building maintenance	
Personal services	895,500
Operating expenses	626,874
Total	1,522,374
Source of funds	
General fund	1,512,374
Special funds	10,000
Total	1,522,374
Sec. B.219 Military - veterans' affairs	
Personal services	2,169,931
Operating expenses	160,999
Grants	96,784
Total	2,427,714
Source of funds	
General fund	794,156

Special funds	109,718
Federal funds	1,523,840
Total	2,427,714

Sec. B.220 Center for crime victim services

Personal services	1,670,219
Operating expenses	269,420
Grants	11,155,252
Total	13,094,891
Source of funds	
General fund	1,264,140
Special funds	5,072,158
Federal funds	6,758,593
Total	13,094,891

Sec. B.221 Criminal justice training council

Personal services	1,068,015
Operating expenses	1,327,800
Total	2,395,815
Source of funds	
General fund	2,317,482
Interdepartmental transfers	78,333
Total	2,395,815

Sec. B.222 Agriculture, food and markets - administration

Personal services	1,433,951
Operating expenses	312,646
Grants	247,222
Total	1,993,819
Source of funds	
General fund	1,136,524
Special funds	520,239
Federal funds	337,056
Total	1,993,819

Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	3,657,316
Operating expenses	713,308
Grants	2,750,000
Total	7,120,624

Source of funds	
General fund	2,593,189
Special funds	3,553,332
Federal funds	933,097
Global Commitment fund	34,006
Interdepartmental transfers	7,000
Total	7,120,624

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,181,771
Operating expenses	838,358
Grants	1,095,753
Total	3,115,882
Source of funds	
General fund	1,812,634
Special funds	582,764
Federal funds	676,266
Interdepartmental transfers	44,218
Total	3,115,882

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	3,247,517
Operating expenses	737,336
Grants	1,203,080
Total	5,187,933
Source of funds	
General fund	2,052,525
Special funds	1,957,631
Federal funds	1,026,838
Global Commitment fund	56,272
Interdepartmental transfers	94,667
Total	5,187,933

Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab

Personal services	1,250,870
Operating expenses	515,342
Total	1,766,212
Source of funds	
General fund	724,653
Special funds	993,396

Interdepartmental transfers	48,163
Total	1,766,212

Sec. B.225.2 Agriculture, Food and Markets - Clean Water

Personal services	998,344
Operating expenses	292,257
Grants	1,493,000
Total	2,783,601
Source of funds	
General fund	0
Special funds	2,783,601
Total	2,783,601

Sec. B.226 Financial regulation - administration

Personal services	1,919,911
Operating expenses	194,235
Total	2,114,146
Source of funds	
Special funds	2,114,146
Total	2,114,146

Sec. B.227 Financial regulation - banking

Personal services	1,644,347
Operating expenses	350,156
Total	1,994,503
Source of funds	
Special funds	1,994,503
Total	1,994,503

Sec. B.228 Financial regulation - insurance

Personal services	4,538,399
Operating expenses	504,759
Total	5,043,158
Source of funds	
Special funds	4,975,958
Interdepartmental transfers	67,200
Total	5,043,158

Sec. B.229 Financial regulation - captive insurance

Personal services	4,070,007
Operating expenses	490,641
Total	4,560,648

Source of funds	
Special funds	4,560,648
Total	4,560,648

Sec. B.230 Financial regulation - securities

Personal services	835,280
Operating expenses	179,328
Total	1,014,608
Source of funds	
Special funds	1,014,608
Total	1,014,608

Sec. B.232 Secretary of state

Personal services	10,038,201
Operating expenses	2,243,361
Total	12,281,562
Source of funds	
Special funds	10,544,858
Federal funds	1,661,704
Interdepartmental transfers	75,000
Total	12,281,562

Sec. B.233 Public service - regulation and energy

Personal services	10,567,119
Operating expenses	2,013,321
Grants	3,687,932
Total	16,268,372
Source of funds	
Special funds	14,551,869
Federal funds	1,002,268
ARRA funds	650,000
Interdepartmental transfers	41,667
Enterprise funds	22,568
Total	16,268,372

Sec. B.234 Public service board

Personal services	3,099,507
Operating expenses	445,493
Total	3,545,000
Source of funds	
Special funds	3,545,000
Total	3,545,000

Sec. B.235 Enhanced 9-1-1 Board

Personal services	3,289,987
Operating expenses	294,843
Grants	720,000
Total	4,304,830
Source of funds	
Special funds	4,304,830
Total	4,304,830

Sec. B.236 Human rights commission

Personal services	454,052
Operating expenses	77,347
Total	531,399
Source of funds	
General fund	455,632
Federal funds	75,767
Total	531,399

Sec. B.237 Liquor control - administration

Personal services	3,732,527
Operating expenses	478,007
Total	4,210,534
Source of funds	
Enterprise funds	4,210,534
Total	4,210,534

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,519,794
Operating expenses	491,938
Total	3,011,732
Source of funds	
Special funds	151,119
Tobacco fund	213,843
Federal funds	312,503
Enterprise funds	2,334,267
Total	3,011,732

Sec. B.239 Liquor control - warehousing and distribution

Personal services	1,006,762
Operating expenses	414,188
Total	1,420,950

Source of funds	
Enterprise funds	1,420,950
Total	1,420,950

Sec. B.240 Total protection to persons and property

Source of funds	
General fund	139,658,179
Transportation fund	21,550,000
Special funds	82,303,142
Tobacco fund	783,664
Federal funds	64,642,371
ARRA funds	650,000
Global Commitment fund	90,278
Interdepartmental transfers	12,737,631
Enterprise funds	7,988,319
Total	330,403,584

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	16,945,382
Operating expenses	5,927,510
Grants	5,130,433
Total	28,003,325
Source of funds	
General fund	6,422,158
Special funds	91,017
Tobacco fund	67,500
Federal funds	11,436,482
Global Commitment fund	8,187,337
Interdepartmental transfers	1,798,831
Total	28,003,325

Sec. B.301 Secretary's office - global commitment

Operating expenses	5,529,495
Grants	1,670,840,164
Total	1,676,369,659
Source of funds	
General fund	325,048,779
Special funds	28,263,866
Tobacco fund	27,530,657
State health care resources fund	286,264,887
Federal funds	1,009,221,470
Interdepartmental transfers	40,000
Total	1,676,369,659

Sec. B.302 Rate setting

Personal services	831,219
Operating expenses	98,596
Total	929,815
Source of funds	
Global Commitment fund	929,815
Total	929,815

Sec. B.303 Developmental disabilities council

Personal services	261,555
Operating expenses	67,012
Grants	248,388
Total	576,955
Source of funds	
Federal funds	576,955
Total	576,955

Sec. B.304 Human services board

Personal services	659,457
Operating expenses	89,986
Total	749,443
Source of funds	
General fund	208,383
Federal funds	112,844
Global Commitment fund	355,736
Interdepartmental transfers	72,480
Total	749,443

Sec. B.305 AHS - administrative fund

Personal services	350,000
Operating expenses	4,650,000
Total	5,000,000
Source of funds	
Interdepartmental transfers	5,000,000
Total	5,000,000

Sec. B.306 Department of Vermont health access - administration

Personal services	158,019,792
Operating expenses	5,252,813
Grants	17,445,598
Total	180,718,203

Source of funds	
General fund	5,864,424
Special funds	799,894
Federal funds	97,756,139
Global Commitment fund	66,322,227
Interdepartmental transfers	9,975,519
Total	180,718,203

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Grants	755,863,187
Total	755,863,187
Source of funds	
General fund	0
Global Commitment fund	755,863,187
Total	755,863,187

Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver

Grants	187,699,781
Total	187,699,781
Source of funds	
General fund	753,720
Federal funds	896,280
Global Commitment fund	186,049,781
Total	187,699,781

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	44,373,965
Total	44,373,965
Source of funds	
General fund	36,451,439
Global Commitment fund	7,922,526
Total	44,373,965

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	46,362,233
Total	46,362,233
Source of funds	
General fund	17,804,538

Federal funds	28,557,695
Total	46,362,233

Sec. B.311 Health - administration and support

Personal services	7,605,625
Operating expenses	2,974,444
Grants	3,185,000
Total	13,765,069
Source of funds	
General fund	2,156,700
Special funds	1,286,732
Federal funds	5,584,598
Global Commitment fund	4,737,039
Total	13,765,069

Sec. B.312 Health - public health

Personal services	40,636,991
Operating expenses	9,221,544
Grants	38,431,111
Total	88,289,646
Source of funds	
General fund	5,496,552
Special funds	17,054,895
Tobacco fund	2,409,514
Federal funds	38,055,582
Global Commitment fund	24,126,242
Interdepartmental transfers	1,121,861
Permanent trust funds	25,000
Total	88,289,646

Sec. B.313 Health - alcohol and drug abuse programs

Personal services	3,681,311
Operating expenses	295,122
Grants	47,410,480
Total	51,386,913
Source of funds	
General fund	2,755,862
Special funds	459,453
Tobacco fund	1,357,025
Federal funds	12,012,707
Global Commitment fund	34,801,866
Total	51,386,913

Sec. B.314 Mental health - mental health

Personal services	28,694,403
Operating expenses	3,885,385
Grants	192,224,412
Total	224,804,200
Source of funds	
General fund	1,593,826
Special funds	434,904
Federal funds	3,620,435
Global Commitment fund	219,135,035
Interdepartmental transfers	20,000
Total	224,804,200

Sec. B.316 Department for children and families - administration & support services

Personal services	46,687,819
Operating expenses	9,938,078
Grants	3,828,592
Total	60,454,489
Source of funds	
General fund	24,616,096
Special funds	718,986
Federal funds	25,393,214
Global Commitment fund	8,881,150
Interdepartmental transfers	845,043
Total	60,454,489

Sec. B.317 Department for children and families - family services

Personal services	32,391,167
Operating expenses	4,701,495
Grants	74,996,824
Total	112,089,486
Source of funds	
General fund	33,821,991
Special funds	1,691,637
Federal funds	25,015,922
Global Commitment fund	51,423,882
Interdepartmental transfers	136,054
Total	112,089,486

Sec. B.318 Department for children and families - child development

Personal services	6,196,295
Operating expenses	833,601
Grants	76,403,172
Total	83,433,068
Source of funds	
General fund	31,564,569
Special funds	1,820,000
Federal funds	38,233,170
Global Commitment fund	11,815,329
Total	83,433,068

Sec. B.319 Department for children and families - office of child support

Personal services	10,226,408
Operating expenses	3,644,264
Total	13,870,672
Source of funds	
General fund	3,445,615
Special funds	455,718
Federal funds	9,581,739
Interdepartmental transfers	387,600
Total	13,870,672

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,221,542
Grants	11,367,424
Total	13,588,966
Source of funds	
General fund	9,688,636
Global Commitment fund	3,900,330
Total	13,588,966

Sec. B.321 Department for children and families - general assistance

Grants	7,087,010
Total	7,087,010
Source of funds	
General fund	5,680,025
Federal funds	1,111,320
Global Commitment fund	295,665
Total	7,087,010

Sec. B.322 Department for children and families - 3SquaresVT

Grants	29,827,906
Total	29,827,906
Source of funds	
Federal funds	29,827,906
Total	29,827,906

Sec. B.323 Department for children and families - reach up

Operating expenses	95,202
Grants	37,367,735
Total	37,462,937
Source of funds	
General fund	7,895,372
Special funds	23,401,676
Federal funds	3,819,096
Global Commitment fund	2,346,793
Total	37,462,937

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	17,351,664
Total	17,351,664
Source of funds	
Federal funds	17,351,664
Total	17,351,664

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	372,844
Operating expenses	28,119
Grants	9,315,255
Total	9,716,218
Source of funds	
General fund	4,667,495
Special funds	57,990
Federal funds	4,350,417
Global Commitment fund	640,316
Total	9,716,218

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	289,008
Operating expenses	53,816
Grants	9,657,176
Total	10,000,000
Source of funds	
Special funds	9,000,000
Federal funds	1,000,000
Interdepartmental transfers	0
Total	10,000,000

Sec. B.327 Department for children and families - Woodside rehabilitation center

Personal services	4,795,936
Operating expenses	694,946
Total	5,490,882
Source of funds	
General fund	1,035,771
Global Commitment fund	4,358,111
Interdepartmental transfers	97,000
Total	5,490,882

Sec. B.328 Department for children and families - disability determination services

Personal services	5,701,206
Operating expenses	527,556
Total	6,228,762
Source of funds	
Federal funds	5,963,048
Global Commitment fund	265,714
Total	6,228,762

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	29,605,791
Operating expenses	5,211,053
Total	34,816,844
Source of funds	
General fund	11,637,389
Special funds	1,390,457
Federal funds	13,491,875

Global Commitment fund	7,230,839
Interdepartmental transfers	1,066,284
Total	34,816,844

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	20,698,051
Total	20,698,051
Source of funds	
General fund	7,862,665
Federal funds	6,992,730
Global Commitment fund	5,842,656
Total	20,698,051

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	1,411,457
Total	1,411,457
Source of funds	
General fund	349,154
Special funds	223,450
Federal funds	593,853
Global Commitment fund	245,000
Total	1,411,457

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	8,972,255
Total	8,972,255
Source of funds	
General fund	1,371,845
Special funds	70,000
Federal funds	4,552,523
Global Commitment fund	7,500
Interdepartmental transfers	2,970,387
Total	8,972,255

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	198,878,034
Total	198,878,034
Source of funds	
General fund	155,125
Special funds	15,463

Federal funds	359,857
Global Commitment fund	198,347,589
Total	198,878,034

Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	5,647,336
Total	5,647,336
Source of funds	
Global Commitment fund	5,647,336
Total	5,647,336

Sec. B.335 Corrections - administration

Personal services	2,606,169
Operating expenses	215,943
Total	2,822,112
Source of funds	
General fund	2,822,112
Total	2,822,112

Sec. B.336 Corrections - parole board

Personal services	245,629
Operating expenses	81,081
Total	326,710
Source of funds	
General fund	326,710
Total	326,710

Sec. B.337 Corrections - correctional education

Personal services	2,827,819
Operating expenses	510,128
Total	3,337,947
Source of funds	
Education fund	3,109,463
Interdepartmental transfers	228,484
Total	3,337,947

Sec. B.338 Corrections - correctional services

Personal services	110,418,338
Operating expenses	20,357,559
Grants	9,992,638
Total	140,768,535

Source of funds	
General fund	134,029,426
Special funds	483,963
Federal funds	470,962
Global Commitment fund	5,387,869
Interdepartmental transfers	396,315
Total	140,768,535

Sec. B.339 Corrections - Correctional services-out of state beds

Personal services	5,839,110
Total	5,839,110
Source of funds	
General fund	5,839,110
Total	5,839,110

Sec. B.340 Corrections - correctional facilities - recreation

Personal services	556,422
Operating expenses	345,501
Total	901,923
Source of funds	
Special funds	901,923
Total	901,923

Sec. B.341 Corrections - Vermont offender work program

Personal services	1,359,804
Operating expenses	548,231
Total	1,908,035
Source of funds	
Internal service funds	1,908,035
Total	1,908,035

Sec. B.342 Vermont veterans' home - care and support services

Personal services	17,571,664
Operating expenses	4,794,203
Total	22,365,867
Source of funds	
General fund	5,923,637
Special funds	8,655,269
Federal funds	7,375,975
Global Commitment fund	410,986
Total	22,365,867

Sec. B.343 Commission on women

Personal services	280,633
Operating expenses	76,378
Total	357,011
Source of funds	
General fund	352,011
Special funds	5,000
Total	357,011

Sec. B.344 Retired senior volunteer program

Grants	151,096
Total	151,096
Source of funds	
General fund	151,096
Total	151,096

Sec. B.345 Green Mountain Care Board

Personal services	8,736,409
Operating expenses	835,995
Total	9,572,404
Source of funds	
General fund	1,243,276
Special funds	2,105,927
Federal funds	448,808
Global Commitment fund	4,281,832
Interdepartmental transfers	1,492,561
Total	9,572,404

Sec. B.346 Total human services

Source of funds	
General fund	699,035,507
Special funds	99,388,220
Tobacco fund	31,364,696
State health care resources fund	286,264,887
Education fund	3,109,463
Federal funds	1,403,765,266
Global Commitment fund	1,619,759,688
Internal service funds	1,908,035
Interdepartmental transfers	25,648,419
Permanent trust funds	25,000
Total	4,170,269,181

Sec. B.400 Labor - programs	
Personal services	31,244,618
Operating expenses	9,723,007
Grants	225,000
Total	41,192,625
Source of funds	
General fund	3,314,311
Special funds	3,363,869
Federal funds	32,805,942
Interdepartmental transfers	1,708,503
Total	41,192,625
Sec. B.401 Total labor	
Source of funds	
General fund	3,314,311
Special funds	3,363,869
Federal funds	32,805,942
Interdepartmental transfers	1,708,503
Total	41,192,625
Sec. B.500 Education - finance and administration	
Personal services	9,135,219
Operating expenses	2,507,191
Grants	15,810,700
Total	27,453,110
Source of funds	
General fund	3,621,946
Special funds	16,821,588
Education fund	1,014,007
Federal funds	5,036,834
Global Commitment fund	958,735
Total	27,453,110
Sec. B.501 Education - education services	
Personal services	16,964,227
Operating expenses	1,406,432
Grants	122,039,206
Total	140,409,865
Source of funds	
General fund	4,916,711
Special funds	2,996,817
Tobacco fund	750,389

Federal funds	130,421,580
Interdepartmental transfers	1,324,368
Total	140,409,865

Sec. B.502 Education - special education: formula grants

Grants	180,749,796
Total	180,749,796
Source of funds	
Education fund	180,749,796
Total	180,749,796

Sec. B.503 Education - state-placed students

Grants	16,700,000
Total	16,700,000
Source of funds	
Education fund	16,700,000
Total	16,700,000

Sec. B.504 Education - adult education and literacy

Grants	3,351,468
Total	3,351,468
Source of funds	
General fund	787,995
Education fund	1,800,000
Federal funds	763,473
Total	3,351,468

Sec. B.504.1 Education - Flexible Pathways

Grants	4,750,000
Total	4,750,000
Source of funds	
Special funds	0
Education fund	4,750,000
Total	4,750,000

Sec. B.505 Education - adjusted education payment

Grants	1,311,000,000
Total	1,311,000,000
Source of funds	
Education fund	1,311,000,000
Total	1,311,000,000

Sec. B.506 Education - transportation

Grants	18,240,000
Total	18,240,000
Source of funds	
Education fund	18,240,000
Total	18,240,000

Sec. B.507 Education - small school grants

Grants	7,700,000
Total	7,700,000
Source of funds	
Education fund	7,700,000
Total	7,700,000

Sec. B.508 Education - capital debt service aid

Grants	30,000
Total	30,000
Source of funds	
Education fund	30,000
Total	30,000

Sec. B.510 Education - essential early education grant

Grants	6,400,000
Total	6,400,000
Source of funds	
Education fund	6,400,000
Total	6,400,000

Sec. B.511 Education - technical education

Grants	13,530,912
Total	13,530,912
Source of funds	
Education fund	13,530,912
Total	13,530,912

Sec. B.513 Appropriation and transfer to education fund

Grants	305,902,634
Total	305,902,634
Source of funds	
General fund	305,902,634
Total	305,902,634

Sec. B.514 State teachers' retirement system

Grants	78,959,576
Total	78,959,576
Source of funds	
General fund	78,959,576
Total	78,959,576

Sec. B.514.1 State teachers' retirement system

Personal services	8,174,982
Operating expenses	1,465,911
Total	9,640,893
Source of funds	
Pension trust funds	9,640,893
Total	9,640,893

Sec. B.515 Retired teachers' health care and medical benefits

Grants	22,022,584
Total	22,022,584
Source of funds	
General fund	22,022,584
Total	22,022,584

Sec. B.516 Total general education

Source of funds	
General fund	416,211,446
Special funds	19,818,405
Tobacco fund	750,389
Education fund	1,561,914,715
Federal funds	136,221,887
Global Commitment fund	958,735
Interdepartmental transfers	1,324,368
Pension trust funds	9,640,893
Total	2,146,840,838

Sec. B.600 University of Vermont

Grants	42,509,093
Total	42,509,093
Source of funds	
General fund	38,462,876
Global Commitment fund	4,046,217
Total	42,509,093

Sec. B.601 Vermont Public Television

Grants	271,103
Total	271,103
Source of funds	
General fund	271,103
Total	271,103

Sec. B.602 Vermont state colleges

Grants	24,300,464
Total	24,300,464
Source of funds	
General fund	24,300,464
Total	24,300,464

Sec. B.602.1 Vermont State Colleges - Supplemental Aid

Grants	600,000
Total	600,000
Source of funds	
General fund	600,000
Total	600,000

Sec. B.603 Vermont state colleges - allied health

Grants	1,157,775
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	409,461
Total	1,157,775

Sec. B.605 Vermont student assistance corporation

Grants	19,414,588
Total	19,414,588
Source of funds	
General fund	19,414,588
Total	19,414,588

Sec. B.606 New England higher education compact

Grants	84,000
Total	84,000
Source of funds	
General fund	84,000
Total	84,000

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	1
Total	1
Source of funds	
General fund	1
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	83,881,346
Global Commitment fund	4,455,678
Total	88,337,024

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	3,517,448
Operating expenses	2,128,893
Grants	114,960
Total	5,761,301
Source of funds	
General fund	4,850,163
Special funds	472,400
Federal funds	275,000
Interdepartmental transfers	163,738
Total	5,761,301

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	2,375,905
Total	2,375,905
Source of funds	
General fund	1,954,405
Interdepartmental transfers	421,500
Total	2,375,905

Sec. B.702 Fish and wildlife - support and field services

Personal services	16,280,543
Operating expenses	5,286,467
Grants	739,000
Total	22,306,010
Source of funds	
General fund	4,987,323
Special funds	77,955
Fish and wildlife fund	9,592,312

Federal funds	7,531,572
Interdepartmental transfers	115,848
Permanent trust funds	1,000
Total	22,306,010

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,149,604
Operating expenses	667,688
Grants	1,963,413
Total	3,780,705
Source of funds	
General fund	1,154,294
Special funds	1,456,877
Federal funds	1,169,534
Total	3,780,705

Sec. B.704 Forests, parks and recreation - forestry

Personal services	5,278,211
Operating expenses	729,049
Grants	450,000
Total	6,457,260
Source of funds	
General fund	4,231,560
Special funds	717,701
Federal funds	1,250,000
Interdepartmental transfers	257,999
Total	6,457,260

Sec. B.705 Forests, parks and recreation - state parks

Personal services	7,326,858
Operating expenses	2,636,530
Total	9,963,388
Source of funds	
General fund	571,102
Special funds	9,392,286
Total	9,963,388

Sec. B.706 Forests, parks and recreation - lands administration

Personal services	536,452
Operating expenses	1,198,797
Total	1,735,249
Source of funds	
General fund	472,300

Special funds	171,199
Federal funds	1,073,000
Interdepartmental transfers	18,750
Total	1,735,249

Sec. B.707 Forests, parks and recreation - youth conservation corps

Grants	430,689
Total	430,689
Source of funds	
General fund	48,307
Special funds	188,382
Federal funds	94,000
Interdepartmental transfers	100,000
Total	430,689

Sec. B.708 Forests, parks and recreation - forest highway maintenance

Personal services	94,000
Operating expenses	85,925
Total	179,925
Source of funds	
General fund	179,925
Total	179,925

Sec. B.709 Environmental conservation - management and support services

Personal services	5,854,115
Operating expenses	677,351
Grants	160,000
Total	6,691,466
Source of funds	
General fund	374,367
Special funds	385,773
Federal funds	724,194
Interdepartmental transfers	5,207,132
Total	6,691,466

Sec. B.710 Environmental conservation - air and waste management

Personal services	10,490,655
Operating expenses	8,220,578
Grants	1,949,993
Total	20,661,226
Source of funds	
General fund	90,472
Special funds	16,726,784

Federal funds	3,629,701
Interdepartmental transfers	214,269
Total	20,661,226

Sec. B.711 Environmental conservation - office of water programs

Personal services	17,147,245
Operating expenses	5,662,996
Grants	25,837,625
Total	48,647,866
Source of funds	
General fund	7,582,013
Special funds	11,979,402
Federal funds	27,890,186
Interdepartmental transfers	1,196,265
Total	48,647,866

Sec. B.712 Environmental conservation - tax-loss Connecticut river flood control

Operating expenses	34,700
Total	34,700
Source of funds	
General fund	3,470
Special funds	31,230
Total	34,700

Sec. B.713 Natural resources board

Personal services	2,504,516
Operating expenses	402,928
Total	2,907,444
Source of funds	
General fund	606,932
Special funds	2,300,512
Total	2,907,444

Sec. B.714 Total natural resources

Source of funds	
General fund	27,106,633
Special funds	43,900,501
Fish and wildlife fund	9,592,312
Federal funds	43,637,187
Interdepartmental transfers	7,695,501
Permanent trust funds	1,000
Total	131,933,134

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,960,194
Operating expenses	717,804
Grants	4,793,627
Total	8,471,625
Source of funds	
General fund	3,536,636
Special funds	3,599,800
Federal funds	1,200,000
Interdepartmental transfers	135,189
Total	8,471,625

Sec. B.801 Economic development

Personal services	3,639,189
Operating expenses	667,420
Grants	1,994,836
Total	6,301,445
Source of funds	
General fund	4,600,379
Special funds	767,950
Federal funds	933,116
Total	6,301,445

Sec. B.802 Housing & community development

Personal services	6,939,855
Operating expenses	882,101
Grants	1,357,213
Total	9,179,169
Source of funds	
General fund	2,623,306
Special funds	4,423,559
Federal funds	2,024,863
Interdepartmental transfers	107,441
Total	9,179,169

Sec. B.804 Community development block grants

Grants	6,249,045
Total	6,249,045
Source of funds	
Federal funds	6,249,045
Total	6,249,045

Sec. B.805 Downtown transportation and capital improvement fund

Personal services	94,328
Grants	335,151
Total	429,479
Source of funds	
Special funds	429,479
Total	429,479

Sec. B.806 Tourism and marketing

Personal services	1,167,103
Operating expenses	1,856,903
Grants	150,380
Total	3,174,386
Source of funds	
General fund	3,074,386
Interdepartmental transfers	100,000
Total	3,174,386

Sec. B.807 Vermont life

Personal services	670,903
Operating expenses	61,465
Total	732,368
Source of funds	
Enterprise funds	732,368
Total	732,368

Sec. B.808 Vermont council on the arts

Grants	680,307
Total	680,307
Source of funds	
General fund	680,307
Total	680,307

Sec. B.809 Vermont symphony orchestra

Grants	141,214
Total	141,214
Source of funds	
General fund	141,214
Total	141,214

Sec. B.810 Vermont historical society

Grants	954,354
Total	954,354
Source of funds	
General fund	954,354
Total	954,354

Sec. B.811 Vermont housing and conservation board

Grants	27,086,977
Total	27,086,977
Source of funds	
Special funds	12,297,808
Federal funds	14,789,169
Total	27,086,977

Sec. B.812 Vermont humanities council

Grants	217,959
Total	217,959
Source of funds	
General fund	217,959
Total	217,959

Sec. B.813 Total commerce and community development

Source of funds	
General fund	15,828,541
Special funds	21,518,596
Federal funds	25,196,193
Interdepartmental transfers	342,630
Enterprise funds	732,368
Total	63,618,328

Sec. B.900 Transportation - finance and administration

Personal services	11,650,431
Operating expenses	2,501,368
Grants	55,000
Total	14,206,799
Source of funds	
Transportation fund	13,262,499
Federal funds	944,300
Total	14,206,799

Sec. B.901 Transportation - aviation

Personal services	2,650,087
Operating expenses	17,110,961
Grants	274,000
Total	20,035,048
Source of funds	
Transportation fund	5,776,348
Federal funds	14,123,500
Local match	135,200
Total	20,035,048

Sec. B.902 Transportation - buildings

Operating expenses	2,000,000
Total	2,000,000
Source of funds	
Transportation fund	2,000,000
Total	2,000,000

Sec. B.903 Transportation - program development

Personal services	45,052,065
Operating expenses	191,869,157
Grants	44,608,524
Total	281,529,746
Source of funds	
Transportation fund	39,913,669
TIB fund	8,365,345
Federal funds	232,275,066
Local match	975,666
Total	281,529,746

Sec. B.904 Transportation - rest areas construction

Operating expenses	550,000
Total	550,000
Source of funds	
Transportation fund	60,000
Federal funds	490,000
Total	550,000

Sec. B.905 Transportation - maintenance state system

Personal services	44,434,460
Operating expenses	45,739,029
Grants	1,383,280

Total	91,556,769
Source of funds	
Transportation fund	86,728,962
Federal funds	4,727,807
Interdepartmental transfers	100,000
Total	91,556,769

Sec. B.906 Transportation - policy and planning

Personal services	3,446,689
Operating expenses	675,519
Grants	5,864,950
Total	9,987,158
Source of funds	
Transportation fund	2,576,853
Federal funds	7,396,305
Interdepartmental transfers	14,000
Total	9,987,158

Sec. B.907 Transportation - rail

Personal services	5,757,863
Operating expenses	28,123,741
Total	33,881,604
Source of funds	
Transportation fund	18,665,089
TIB fund	2,482,700
Federal funds	12,588,350
ARRA funds	90,899
Interdepartmental transfers	54,566
Total	33,881,604

Sec. B.908 Transportation - public transit

Personal services	1,147,270
Operating expenses	268,987
Grants	29,757,441
Total	31,173,698
Source of funds	
Transportation fund	7,928,915
Federal funds	23,244,783
Total	31,173,698

Sec. B.909 Transportation - central garage

Personal services	4,596,869
Operating expenses	15,134,918

Total	19,731,787
Source of funds	
Internal service funds	19,731,787
Total	19,731,787

Sec. B.910 Department of motor vehicles

Personal services	18,539,423
Operating expenses	10,395,632
Total	28,935,055
Source of funds	
Transportation fund	27,416,335
Special funds	25,000
Federal funds	1,388,720
Interdepartmental transfers	105,000
Total	28,935,055

Sec. B.911 Transportation - town highway structures

Grants	6,333,500
Total	6,333,500
Source of funds	
Transportation fund	6,333,500
Total	6,333,500

Sec. B.912 Transportation - town highway local technical assistance program

Grants	394,700
Total	394,700
Source of funds	
Transportation fund	239,700
Federal funds	155,000
Total	394,700

Sec. B.913 Transportation - town highway class 2 roadway

Grants	7,248,750
Total	7,248,750
Source of funds	
Transportation fund	7,248,750
Total	7,248,750

Sec. B.914 Transportation - town highway bridges

Personal services	5,206,279
Operating expenses	14,774,385
Grants	41,066
Total	20,021,730

Source of funds	
Transportation fund	1,232,953
TIB fund	1,421,331
Federal funds	16,162,896
Local match	1,204,550
Total	20,021,730

Sec. B.915 Transportation - town highway aid program

Grants	25,982,744
Total	25,982,744
Source of funds	
Transportation fund	25,982,744
Total	25,982,744

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	128,750
Total	128,750
Source of funds	
Transportation fund	128,750
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	1,150,000
Total	1,150,000
Source of funds	
Transportation fund	1,150,000
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Grants	1,280,000
Total	1,280,000
Source of funds	
Federal funds	1,280,000
Total	1,280,000

Sec. B.919 Transportation - municipal mitigation grant program

Grants	2,905,000
Total	2,905,000
Source of funds	
Transportation fund	1,240,000
Special funds	1,465,000
Federal funds	200,000
Total	2,905,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	640,000
Grants	10,300,000
Total	10,940,000
Source of funds	
Transportation fund	160,000
Special funds	300,000
Federal funds	10,000,000
Interdepartmental transfers	480,000
Total	10,940,000

Sec. B.921 Transportation board

Personal services	198,657
Operating expenses	30,588
Total	229,245
Source of funds	
Transportation fund	229,245
Total	229,245

Sec. B.922 Total transportation

Source of funds	
Transportation fund	248,274,312
TIB fund	12,269,376
Special funds	1,790,000
Federal funds	324,976,727
ARRA funds	90,899
Internal service funds	19,731,787
Interdepartmental transfers	753,566
Local match	2,315,416
Total	610,202,083

Sec. B.1000 Debt service

Operating expenses	76,991,491
Total	76,991,491
Source of funds	
General fund	71,119,465
Transportation fund	1,884,089
Special funds	336,000
ARRA funds	1,150,524
TIB debt service fund	2,501,413
Total	76,991,491

Sec. B.1001 Total debt service

Source of funds	
General fund	71,119,465
Transportation fund	1,884,089
Special funds	336,000
ARRA funds	1,150,524
TIB debt service fund	2,501,413
Total	76,991,491

Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2017, $2,909,900 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 $1,577,500 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of $1,017,500 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 Strong Internship Program pursuant to 10 V.S.A. § 544.

(B) Adult Career 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 career 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 $57,900 as follows:

(A) Large animal veterinarians' loan repayment. The amount of $30,000 is appropriated to the Agency of Agriculture, Food and Markets for a loan repayment program for large animal veterinarians pursuant to 6 V.S.A. § 20.

(B) Science Technology Engineering and Math (STEM) incentive. The amount of $27,900 is appropriated to the Agency of Commerce and Community Development for an incentive payment pursuant to 2011 Acts and Resolves No. 52, Sec. 6, as amended by Sec. B.1100.2 of this act.

(3) Scholarships and grants. The amount of $1,274,500 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 and need-based stipend. The amount of $600,000 is appropriated to the Agency of Education for dual enrollment programs consistent with 16 V.S.A. § 944(f)(2) and $30,000 is appropriated to the Agency of Education to be transferred to the Vermont Student Assistance Corporation for need based stipends pursuant to Sec. E.605.1 of this act.

Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR FISCAL YEAR 2018 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 on or before December 1, 2016 how $2,909,900 from the Next Generation Fund should be allocated or appropriated in fiscal year 2018 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 State agencies and departments listed herein shall promote actively and publicly the availability of the funds to eligible entities.

Sec. B.1100.2 2011 Acts and Resolves No. 52, Sec 6 is amended to read:

Sec. 6. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM) INCENTIVE PROGRAM

* * *

(b)(4) ~~The secretary shall award up to a maximum of $75,000.00 per year for incentives in accordance with this section, which shall be made in the order in which they are claimed, as determined by the secretary in his or her discretion, and not to exceed a total program cap of $375,000.00~~. [Repealed.]

* * *

Sec. B.1101 FISCAL YEAR 2017 ONE-TIME GENERAL FUND APPROPRIATIONS

(a) The sum of $425,000 is appropriated to the Secretary of State for 2016 primary and general elections.

(b) The sum of $65,000 is appropriated to the Department of Finance and Management for the Governor's transition. These funds are for costs incurred by the transition of the Executive Office. No funds shall be used for inaugural celebrations. Any unexpended portion of these funds shall revert to the General Fund at the end of fiscal year 2017.

(c) The sum of $500,000 is appropriated to the Secretary of Administration for allocation across State government for security improvements as determined by the Secretary. The Secretary shall develop site specific workplace security and risk reduction plans for State office buildings. These plans shall enhance security through improved workplace management practices, employee training, and building security improvements, including parking lots. The Secretary shall report to the Joint Fiscal Committee in September 2016 on the status of these plans and the uses of this appropriation and potential need for adjustment to this appropriation in the fiscal year 2017 budget adjustment process.

Sec. B.1102 [DELETED]

Sec. B.1103 RISK MANAGEMENT SAVINGS

(a) The Commissioner of Finance and Management shall reduce General Fund expenditures by $500,000 due to savings generated from improved risk management processes which are underway in the administration of workers compensation insurance.

Sec. B.1104 FISCAL YEAR 2017 ONE-TIME FIFTY-THIRD WEEK OF MEDICAID COST FUNDING

(a) In fiscal year 2017, $5,287,591 of General Fund is appropriated to the Agency of Administration for transfer to the Agency of Human Services Global Commitment upon determination of the Commissioner of Finance and Management of the amount necessary to fund the 53rd week of Medicaid expenditures. Any remaining General Fund from this appropriation shall be placed in the 27/53 Reserve established as 32 V.S.A. § 308e by Sec. B.1105 of this act. As provided by 32 V.S.A. § 511, the Commissioner of Finance and Management may approve expenditures of Global Commitment and Federal Funds for the 53rd week of Medicaid.

(b) The Commissioner of Finance and Management shall report to the Joint Fiscal Committee in July 2016 on the status of funds appropriated in this section.

Sec. B.1105 32 V.S.A. § 308e is added to read:

§ 308e. 27/53 RESERVE

(a)(1) There is hereby created within the General Fund the 27/53 Reserve. The purpose of this reserve is to meet the liabilities of the recurring 27th State payroll and the 53rd week of Medicaid payments. These liabilities will be funded by reserving a prorated amount of General Fund each year, before the liability comes due.

(2) Beginning in September 2016 and annually thereafter at the September Joint Fiscal Committee meeting, the Commissioner of Finance and Management shall report on the anticipated liability for the next 27th payroll and 53rd week of Medicaid payments, provide the current reserve balance and a schedule of annual amounts needed to meet the obligation of these payments.

(b) As part of the Governor's budget submission under section 306 of this title, the amount prorated for the upcoming fiscal year identified in subdivision (a)(2) of this section shall be included as a budgeted transfer to the 27/53 Reserve.

(c) In a fiscal year where a 27th State payroll or 53rd week of Medicaid payment is due, the General Assembly shall appropriate the funds from the 27/53 Reserve to meet the expenditures within the year that these payments are due.

Sec. B.1106 SECRETARY OF ADMINISTRATION; FISCAL YEAR 2017 EXEMPT PERSONNEL COST SAVINGS AND EXEMPT POSITIONS

(a) The Secretary of Administration shall identify exempt positions within the executive branch to be eliminated. The Secretary may consider the legal services evaluation report required by Sec.E.100.6 of this act, the agencies and departments that have experienced the greatest growth in exempt positons since 2011, the level of State funding associated with the position, the length of time a position has been in existence, and the ongoing need for the position within the agency. The Secretary shall report the exempt positions identified for elimination to the Joint Fiscal Committee in November 2016. The administration shall indicate which exempt positions require statutory change for elimination. As of January 7, 2017 all exempt positions identified for elimination that do not require statutory change are abolished.

(b) The Secretary of Administration shall reduce fiscal year 2017 appropriations and make transfers to the General Fund for a total of $500,000 for savings associated with position abolished in subsection (a) and shall include the appropriation reductions and transfers in the report to the Joint Fiscal Committee in November 2016.

Sec. B.1107 APPROPRIATION FOR AGENCY OF HEALTH CARE ADMINISTRATION AND AGENCY OF HUMAN SERVICES RESTRUCTURE

(a) In fiscal year 2017 the sum of $450,000 is appropriated to the Agency of Administration from the General Fund to be transferred to the Agency of Human Services as needed for costs associated with the transition and restructuring of the Agency of Human Services into an Agency of Health Care Administration and an Agency of Human Services as described in S.107 of 2016. Costs may include contracts for finance, accounting, federal funding and organization and operational restructuring consulting as needed.

Sec. C.100 2015 Acts and Resolves No. 58, Sec. B.1117, is amended to read:

Sec. B.1117 PSAP; TRANSITION FUNDING

(a) In addition to the PSAP funding in Sec. B.235 of this act, in fiscal year 2016, $425,000 of ~~E-911 funds~~ Vermont Universal Service Funds held by the fiscal agent under 30 V.S.A. chapter 88 is appropriated to the Department of Public Safety for the purposes of Sec. E.208.1 of this act.

Sec. C.101 VERMONT INTERACTIVE TECHNOLOGIES; SURPLUS PROPERTY

(a) Pursuant to 29 V.S.A. chapter 59, all property owned by Vermont Interactive Technologies (VIT) that was funded in whole or in part by the State

shall be transferred as surplus property to the Department of Buildings and General Services.

(b) Notwithstanding 29 V.S.A. § 1556, on or before June 30, 2016, the Commissioner of Buildings and General Services is authorized to sell any property described in subsection (a) of this section to an elementary school; secondary school; or public, educational, and government (PEG) channel that was a VIT hosting site, for $1.00 per item.

Sec. C 102 215 Acts and Resolves No. 58, Sec. B.300 as amended by 2016 Acts and Resolves No. 68, Sec. 12 is further amended to read:

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	16,526,368	16,526,368
Operating expenses	3,860,717	3,860,717
Grants	~~3,226,454~~	3,361,454
Total	~~23,613,539~~	23,748,539
Source of funds		
General fund	~~6,270,162~~	6,405,162
Special funds	91,017	91,017
Tobacco fund	25,000	25,000
Federal funds	12,290,508	12,290,508
Global commitment fund	297,616	297,616
Interdepartmental transfers	4,639,236	4,639,236
Total	~~23,613,539~~	23,748,539

Sec. C.103 2015 Acts and Resolves No. 58, Sec. B.301, as amended by 2016 Acts and Resolves No. 68, Sec. 13, is further amended to read:

Sec. B.301 Secretary's office - global commitment

Operating expenses	7,884,268	7,884,268
Grants	1,434,250,041	1,434,250,041
Total	1,442,134,309	1,442,134,309
Source of funds		
General fund	~~217,281,414~~	215,042,009
Special funds	27,899,279	27,899,279
Tobacco fund	28,079,458	28,079,458
State health care resources fund	~~282,705,968~~	284,945,373
Federal funds	886,128,190	886,128,190
Interdepartmental transfers	40,000	40,000
Total	1,442,134,309	1,442,134,309

Sec. C.104 2015 Acts and Resolves No. 58, Sec. B.346 as amended 2016 Acts and Resolves No. 68, Sec. Sec. 36, is further amended to read:

Sec. B.346 Total human services

Source of funds		
General fund	~~677,913,668~~	675,809,263
Special funds	97,129,681	97,129,681
Tobacco fund	31,952,069	31,952,069
State health care resources fund	~~282,705,968~~	284,945,373
Education fund	3,886,204	3,886,204
Federal funds	1,388,932,032	1,388,032,032
Global commitment fund	1,379,045,585	1,379,045,585
Internal service funds	1,816,195	1,816,195
Interdepartmental transfers	34,112,598	34,112,598
Permanent trust funds	25,000	25,000
Total	~~3,897,519,000~~	3,897,654,000

Sec. C.105 2015 Acts and Resolves No. 58, Sec. B.505 is amended to read:

Sec. B.505 Education - adjustment education payment

Grants	~~1,289,600,000~~	1,290,470,000
Total	~~1,289,600,000~~	1,290,470,000
Source of funds		
Education fund	~~1,289,600,000~~	1,290,470,000

Sec. C.106 2015 Acts and Resolves No. 58, Sec. B.516 is amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	401,590,419	401,590,419
Special funds	20,407,726	20,407,726
Tobacco fund	766,541	766,541
Education fund	~~1,537,744,842~~	1,538,614,842
Federal funds	128,546,812	128,546,812
Global commitment fund	938,187	938,187
Interdepartmental transfers	1,265,933	1,265,933
Pension trust funds	9,304,818	9,304,818
Total	~~2,100,565,278~~	2,101,435,278

Sec. C.107 2015 Acts and Resolves No. 58, Sec. B.905, as amended by 2016 Acts and Resolves No. 68, Sec. 42 is further amended to read:

Sec. B.905 Transportation - maintenance state system

Personal services	43,784,445	43,784,445
Operating expenses	~~42,482,222~~	42,457,222

Grants	95,000	95,000
Total	~~86,361,667~~	86,336,667
Source of funds		
Transportation fund	~~81,761,530~~	81,736,530
Federal funds	4,500,137	4,500,137
Interdepartmental transfer	100,000	100,000
Total	~~86,361,667~~	86,336,667

Sec. C.108 2015 Acts and Resolves No. 58, Sec. B.922, as amended by 2016 Acts and Resolves No. 68, Sec. 50 is further amended to read:

Sec. B.922 Total transportation

Source of funds		
Transportation fund	~~238,432,697~~	238,407,697
TIB fund	13,512,498	13,512,498
Special funds	1,990,000	1,990,000
Federal funds	345,005,346	345,005,346
Internal service funds	19,601,643	19,601,643
Interdepartmental transfers	130,000	130,000
Local match	2,574,285	2,574,285
Total	~~621,246,469~~	621,221,469

Sec. C.109 2016 Acts and Resolves No. 68, Sec. 53 is amended to read:

Sec. 53. FUND TRANSFERS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2016:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

21638	AG - Fees & Reimbursements - Court Order		3,383,514.00
22005	AHS Central Office earned federal receipts		16,216,920.00
50300	Liquor Control Fund		1,080,623.00
62100	Unclaimed Property Fund	~~2,799,843.00~~	3,074,843.00
21405	Bond Investment Earnings Fund		33,273.00
21928	Secretary of State Services Fund		1,636,419.00
21698	Public Service Department - Regulation/Energy Efficiency		134,946.00
21709	Public Service Board - Special Funds		75,426.00
21944	Vermont Enterprise Fund		1,424,697.00

	Caledonia Fair	5,000.00
	North Country Hospital Loan	24,250.00
21678	Mosquito Control Fund	142,000.00

* * *

Sec. C.110 2016 Acts and Resolves No. 68, Sec. 54 is amended to read:

Sec. 54. REVERSIONS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2016:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

1100891301	Secretary of Administration - Independent Review of the Vermont Veterans' Home	20,000.00
1140070000	Use Tax Reimbursement Program	302.39
1140330000	Renter Rebates	150,000.00
1240001000	Lieutenant Governor's Office	10,333.64
1250010000	State Auditor's Office	43,585.00
6120890802	FW-Non-motorized Boat Access	2,769.34
3330010000	Green Mountain Care Board	146,004.00
1260010000	State Treasurer	115,000.00

* * *

Sec. C.111 2016 Acts and Resolves No. 68, Sec.55a is amended to read:

Sec. 55a. FISCAL YEAR 2016 CONTINGENT GENERAL FUND APPROPRIATIONS

(a) In fiscal year 2016, to the extent that the Commissioner of Finance and Management determines that General Fund revenues exceed the 2016 official revenue forecast and other fund receipts assumed for all previously authorized fiscal year 2016 appropriations and transfers necessary to ensure the stabilization reserve is at its maximum authorized level under 32 V.S.A. § 308, ~~$10,300,000~~ the first $12,803.500 is appropriated to the Agency of Administration in the following order:

(1) First, up to $10,300,000 for transfer to the Agency of Human Services for Global Commitment upon determination of the Commissioner of Finance and Management of the amount necessary to fund the 53rd week of

Medicaid expenditures~~.~~ based on fiscal year 2016 end of the year Medicaid program closeout;

(2) Second, $1,700,000 for transfer to the Department for Children and Families to provide low-income home energy assistance during the 2016-2017 heating season at a level not to exceed the estimated purchasing power of the average low-income home energy benefit provided during the 2015-2016 heating season;

(3) Finally, $803,500 for transfer to the Department of Vermont Health Access for the most recently revised Medicare Part D Clawback payment.

(4) Any funds r~~emaining from this $10,300,000 appropriation after this 53rd week payment~~ not used from the appropriation in subsection (a) shall revert to the General Fund and be distributed in ~~accordance with the provisions of~~ the same manner as prescribed in 32 V.S.A. § 308c(a).

* * *

Sec. C.112 TRANSPORTATION PROGRAM DEVELOPMENT; CONTINGENT APPROPRIATION

(a) As used in this section:

(1) "Transportation Fund balance" means a positive balance of unreserved monies remaining in the Transportation Fund at the end of fiscal year 2016.

(2) "TIB Fund balance" means a positive balance of unreserved monies remaining in the Transportation Infrastructure Bond Fund at the end of fiscal year 2016.

(b) Subject to the funding of the Transportation Fund Stabilization Reserve in accordance with 32 V.S.A. § 308a and to the limitations of 19 V.S.A. § 11f (Transportation Infrastructure Bond Fund), and notwithstanding 32 V.S.A. § 308c (Transportation Fund Balance Reserve), if a Transportation Fund balance, TIB Fund balance, or balance in both funds exists at the end of fiscal year 2016, the appropriations in Sec. E.903 of this act shall be increased to the extent of the balance or balances, up to a total of $1,594,040.00 in Transportation Funds or TIB funds, and by up to $6,376,160.00 in matching federal funds.

Sec. C.113 AUTHORIZATION FOR VERMONT STUDENT ASSISTANCE CORPORATION; REALLOCATION OF FUNDS

(a) Notwithstanding anything to the contrary in 2015 Acts and Resolves No. 58, Sec. E.605.1, the Vermont Student Assistance Corporation may, in fiscal year 2016, reallocate up to $10,000 of funds allocated for dual

enrollment for the needs-based stipend to fund a stipend for eligible dual enrollment for spring and summer classes.

* * *

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 Current Use 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 Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of $11,304,840 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 $11,304,840 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 $3,760,599 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above $3,760,599 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The $3,760,599 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) $457,482 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);

(C) $378,700 to the Agency of Commerce and Community Development for the Vermont Center for Geographic Information.

Sec. D.100.1 2011 Acts and Resolves No. 45, Sec. 37(10) is amended to read:

(10) Sec. 35 (repeal of the allocation of property transfer tax revenue) shall take effect on July 1, ~~2016~~ 2017.

Sec. D.101 FUND TRANSFERS, REVERSIONS, 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 Next Generation Initiative Fund established by 16 V.S.A. § 2887: $2,909,900.

(2) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund created under 6 V.S.A.§ 4803: $1,943,000.

(3) 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: $423,966.

(4) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for the purpose of funding fiscal year 2018 transportation infrastructure bonds debt service: $2,503,738.

(5) From the Evidence Based Education and Advertising Fund established by 33 V.S.A. § 2004a to the General Fund: $1,300,000.

(6) From the Pesticide Monitoring Fund (#21669) General Fund: $275,000.

(7) From the Feed Seeds and Fertilizer Fund (#21668) to the General Fund: $75,000.

(8) From the Agriculture Laboratory Testing Fund (#21667) to the General Fund: $42,594.

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 2016 in the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a. shall remain for appropriation in fiscal year 2017.

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 2017 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2017 is not negative shall be transferred in fiscal year 2017 from the Tobacco Trust Fund established by 18 V.S.A. § 9502(a) to the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a.

Sec D.104 FISCAL YEARS 2017 and 2018 STATE EMPLOYEE CONTRACT FUNDING

(a) As part of the fiscal year appropriations and revenue decisions, this act reserves sufficient monies to fully fund the VSEA contract obligations and

related appropriations. It is the intention that specific appropriations and statutory language, once developed, will be incorporated in a specific pay act bill or, if necessary, be added to this Act.

(b) In order to fund the estimated $24,882,472 fiscal year 2017 total contract cost, $13,309,670 in federal funds and special funds or excess receipt authority will be combined with the following amounts reserved for appropriation:

(1) General Funds: $9,722,802.

(2) Transportation Funds: $1,850,000.

(c) In order to fund the estimated $29,383,016 fiscal year 2018, total contract cost, $15,798,760 in federal funds and special funds appropriation or excess receipt authority will be combined with the following amounts to be appropriated in fiscal year 2018:

(1) General Funds: $11,410,506.

(2) Transportation Funds: $2,173,750.

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent classified positions, intended to support the implementation of the All Payer Model is authorized in fiscal year 2017 only if the Center for Medicaid and Medicare Services (CMS) approves Vermont's request for a waiver.

(1) In the Green Mountain Care Board – one (1) Healthcare Statistical Information Administrator, one (1) Health Facility Senior Auditor & Rate Specialist, and two (2) Reimbursement Analyst.

(b) The establishment of the following new permanent exempt positions is authorized in fiscal year 2017 as follows:

(1) In the Office of the Defender General – two (2) Staff Attorney.

(2) In the Department of State's Attorneys – four (4) Deputy State's Attorney.

(c) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2016 as follows:

(1) In the Office of Secretary of State – one (1) Elections Administrator I.

(d) The positions established in this section shall be transferred and converted from existing vacant positions in the Executive Branch of State

government, and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

Sec. E.100.1 [DELETED]

Sec. E.100.2 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, is further amended to read:

(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~~ Agency of Natural Resources, ~~and~~ the Department of Buildings and General Services, the Department of Labor, and the Department of Corrections shall not be subject to the cap on positions for the duration of the Pilot. The Department of Corrections is authorized to add only Correctional Officer I and II positions.

* * *

Sec. E.100.3 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE

(a) Of the funds appropriated in Sec. B.100 of this act, $1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.100.4 ADMINISTRATION; PURCHASING AND CONTRACTING REPORT

(a) Pursuant to 3 V.S.A. § 2222(a), the Secretary of Administration has issued Bulletin 3.5 establishing the general policy and minimum standards for soliciting, awarding, processing, executing and overseeing contracts for service, as well as managing contract compliance. This Bulletin shall apply to the procurements of goods, products, and services of all State agencies in the Executive Branch. It is the intent of the General Assembly that the Executive Branch complies with the requirements of Bulletin 3.5. It is also the intent that the State shall streamline its purchasing and contracting services.

(b) The Secretary of Administration, the Commissioner of Buildings and General Services, and interested stakeholders shall evaluate the State purchasing and contracting process. The evaluation shall include recommendations from the Chief Performance Officer, the Director of the Office of Purchasing and Contracting, the Commissioner of Finance and Management, and the Attorney General. As used in this subsection,

"interested stakeholders" includes at least three vendors that regularly contract with the State, at least one Commissioner, and at least one Secretary.

(c) On or before November 15, 2016, the Secretary of Administration and the Commissioner of Buildings and General Services shall submit a plan for the State's purchasing and contracting services that will result in improved State services and increased financial savings. The plan shall include recommendations for:

(1) creating a mechanism to enforce uniform compliance with State contracting law and procedures,

(2) achieving cost efficiencies, and

(3) implementing e-procurement and contract management systems.

(d) The plan described in subsection (c) of this section shall be submitted to the House and Senate Committees on Government Operations and on Appropriations, to the House Committee on Corrections and Institutions, and the Senate Committee on Institutions.

Sec. E.100.5 [DELETED]

Sec. E.100.6 LEGAL SERVICES; EVALUATION; REPORT

(a) The Secretary of Administration shall evaluate the use of State government legal service positions, including general counsels, assistant attorneys general, special assistant attorneys general, staff attorneys, and special counsels in the Executive Branch. The evaluation shall include the current number of positions, the change in the number of positions from 2006 to 2016, whether any positions duplicate services, and whether there are efficiencies to be gained by a different structure.

(b) On or before December 1, 2016, the Secretary of Administration shall submit a report based on the evaluation described in subsection (a) of this section to the House and Senate Committees on Appropriations.

Sec. E.100.7 32 V.S.A. § 306 is added 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.

(1) The Governor shall develop and publish annually for public review as part of the budget report a current services budget, providing the public with an estimate of what the current level of services is projected to cost in the next fiscal year.

* * *

(d) The Governor shall develop a process for public participation in the development of budget goals, as well as general prioritization and evaluation of spending and revenue initiatives.

Sec. E.100.8 REPEAL

(a) 2012 Acts and Resolves No. 162, Sec. E.100.2 (purpose of State budget) is repealed.

Sec. E.100.9 REPORTING UNFUNDED BUDGET PRESSURES

(a) In an effort to better understand the current services obligations, as part of the budget report required under 32 V.S.A. 306(a)(1) the Governor shall include an itemization of current service liabilities including the total obligations and the current year funding requirement to fully fund them where an amortization schedule exist. These shall include but not be limited to the following liabilities projected for the start of the budget fiscal year:

(1) pension liabilities for the Vermont State Employees' Retirement System (VSERS) and the Vermont State Teachers' Retirement System (VSTRS);

(2) other post-employment benefit liabilities under current law and relevant Government Accounting Standards Board standards for the systems in subdivision (1) of this subsection;

(3) child care fee scale funding requirements to bring total year funding to current market rates and current federal poverty levels;

(4) reach up funding full benefit obligations prior to any reductions made pursuant to 33 V.S.A. §1103(a) which is ensure that the expenditures for the programs shall not exceed appropriations;

(5) funding requirements to provide LIHEAP benefits at the level estimated for the prior fiscal year;

(6) statutory funding levels for the Vermont Housing Conservation Board, municipal and regional planning;

(7) clean water commitments and remediation of superfund sites;

(8) maintenance of transportation infrastructure at current levels;

(9) projected fund liabilities of the funds identified in Section A. 2 of the "Notes" section of the most recent CAFR, including the Workers' Compensation Fund, the State Liability Insurance fund, the Medical Insurance Fund and the Dental Insurance Fund;

(10) a summary of other non-major enterprise funds and internal service funds where deficits exist in excess of $1,500,000, including: Vermont Life Magazine; the Copy Center Fund; the Postage Fund, the Facilities Operations Fund, and the Property Management Fund; and

(11) the cost of each one percent increase up to projected inflation from the prior year for master grant direct services agencies.

Sec. E.102 [DELETED]

Sec. E.106 3 V.S.A. § 2281 is amended to read:

§ 2281. DEPARTMENT OF FINANCE AND MANAGEMENT

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

* * *

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

Sec. E.108 3 V.S.A. § 2283 is amended to read:

§ 2283. DEPARTMENT OF HUMAN RESOURCES

(a) The Department of Human Resources is created in the Agency of Administration. In addition to other responsibilities assigned to it by law, the Department is responsible for fulfilling the payroll functions and for the provision of centralized human resources management services for State government, including the administration of a classification and compensation system for State employees under chapter 13 of this title and the performance of duties assigned to the Commissioner of Human Resources under chapter 27 of this title. All agencies and departments of the State which receive services from the Department of Human Resources shall be charged for those services through an assessment payable to the Human Resources Internal Service Fund on a basis established by the Commissioner of Human Resources and with the approval of the Secretary of Administration.

(b) The Department of Human Resources shall maintain a central payroll office, which shall be the successor to and continuation of the payroll functions of the Department of Finance and Management.

(c)(1) There is established in the Department of Human Resources a Human Resource Services Internal Service Fund to consist of revenues from charges to agencies, departments, and similar units of Vermont State government and to be available to fund the costs of the consolidated human resource services in the Department of Human Resources.

* * *

Sec. E.108.1 TRANSFER OF POSITIONS AND APPROPRIATIONS

(a) The rules of the Department of Finance and Management relating to payroll in effect on the effective date of this act shall be the rules of the Department of Human Resources, until amended or repealed by that Department. All references in those rules to the "Commissioner" and the "Department of Finance and Management," shall be deemed to refer to the "Commissioner of Human Resources" and the "Department of Human Resources."

(b) All employees, professional and support staff, consultants, positions, and equipment and the remaining balances of all appropriation amounts for personal services and operating expenses for the payroll function are transferred to the Department of Human Resources.

Sec. E.108.2 GENERAL AMENDMENTS

(a) The words "Commissioner of Finance and Management" are amended to read "Commissioner of Human Resources" in the following statutes:

(1) 3 V.S.A. § 631(a)(6)–(7), and 32 V.S.A.§ 1261(a).

Sec. E.108.3 3 V.S.A. § 309 is amended to read:

§ 309. DUTIES OF COMMISSIONER OF HUMAN RESOURCES

(a) The Commissioner, as administrative head of the Department, shall direct and supervise all its administrative and technical activities. In addition to the duties imposed elsewhere in this chapter, it shall be the Commissioner's duty:

* * *

(20) To maintain a central payroll office, personnel earnings records, and records on authorized deductions.

(21) To certify, by voucher, to the Commissioner of Finance and Management all necessary and appropriate disbursements associated with the payroll function.

* * *

Sec. E.108.4 CLASSIFICATION REPORT; UPDATE

(a) The Commissioner of Human Resources shall provide a status report to the Joint Fiscal Committee by November 1, 2016, regarding the State Employee Position Classification System consultant report required by 2015 Acts and Resolves No. 58, Sec. E.100.1. The status report shall include preliminary information including:

(1) based on the consultant report, recommended next steps and anticipated timeline;

(2) anticipated costs and resources to implement recommendations; and

(3) the total cost of the current classification system and number of positions impacted.

(b) The Commissioner of Human Resources shall provide a report to the General Assembly on or before January 15, 2017, as outlined in subsection (a) of this section, to include anticipated required changes to statute, policy, system, and structural changes necessary to implement recommendations, unless otherwise required by the Joint Fiscal Committee, in accordance with 2015 Acts and Resolves No. 58, Sec. E.100.1.

Sec. E.108.5 REVIEW OF POLICIES TO ADDRESS NON-PUBLIC SAFETY EMPLOYEES' DEATH IN THE LINE OF DUTY

(a) The Commissioner of Human Resources shall review the policies in place to address specific incidents when a non-public safety employee dies in the line of duty. The results of this review and any recommendations shall be provided to the House and Senate Committees on Appropriations and Government Operations on or before December 15, 2016.

(b) To the extent that funding is needed for any recommendations in fiscal year 2017 the funding shall come from the Security Appropriation in Sec. B. 1101(c) of this act.

Sec. E.111 Tax – administration/collection

(a) Of this appropriation, $15,000 is from the Current Use Administration Special Fund established by 32 V.S.A. § 9610(c) 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.113 Buildings and general services – engineering

(a) The $3,553,061 interdepartmental transfer in this appropriation shall be from the General Bond Fund appropriation in the Capital Bill of the 2015 legislative session, as amended by the 2016 legislative session.

Sec. E.126 Legislature

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Legislature and carried forward into fiscal year 2017, the amount of $113,500 shall revert to the General Fund.

(b) It is the intent of the General Assembly that funding for the Legislature in fiscal year 2017 be included at a level sufficient to support an 18-week legislative session.

Sec. E.126.1 3 V.S.A. § 637 is added to read:

§ 637. DENTAL COVERAGE; MEMBERS OF THE GENERAL ASSEMBLY; BUY-IN

(a) A member of the General Assembly and a session employee of the General Assembly or the Legislative Council shall be eligible to participate in any group dental insurance program negotiated in a collective bargaining agreement with State employees. Premiums shall be paid by the legislator or employee at the full actuarial rate with no contributions from the State and shall be deducted from compensation due for services rendered during the legislative session or assessed and paid directly by the legislator or employee.

(b) A person who elects to participate in the group dental insurance program pursuant to this section shall notify the program's administrator, in writing, of such election. The enrollment period for persons electing pursuant to this section shall correspond with the enrollment period for State employees.

Sec. E.126.2 LEGISLATIVE DEPARTMENT BUDGETS

(a) The Legislative Departments are authorized to transfer funding from the Legislative Council budget to the Legislative budget for Legislative Operations and a new Information Technology Systems budget to the extent that such transfers are approved by the Legislative Council Committee or the Joint Rules Committee.

Sec. E.126.3 32 V.S.A. § 1051 is amended to read:

§ 1051. SPEAKER OF THE HOUSE~~;~~ AND PRESIDENT PRO TEMPORE OF THE SENATE; COMPENSATION AND EXPENSE REIMBURSEMENT

(a) The Speaker of the House and the President Pro Tempore of the Senate shall be entitled to receive annual compensation of $10,080.00 for the 2005 Biennial Session and thereafter to be paid in biweekly payments; provided that, beginning on January 1, 2007, the annual compensation shall be adjusted annually thereafter by the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement. In addition

to the annual compensation, the Speaker and President Pro Tempore shall be entitled to receive:

(1) $652.00 a week for the 2005 Biennial Session and thereafter, to be paid in biweekly payments during the regular and adjourned sessions of the General Assembly; provided that, beginning on January 1, 2007, the weekly compensation shall be adjusted annually thereafter by the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement;

(2) ~~$130.00 a~~ an amount equal to one-fifth of the annually adjusted weekly compensation set forth in subdivision (1) of this subsection, rounded up to the nearest dollar, per day during a special session of the General Assembly ~~which is called at any time following the 2005 Biennial Session; provided that, beginning on January 1, 2007, the daily compensation shall be adjusted annually thereafter by the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement~~; and

(3) mileage, meals, and ~~rooms~~ lodging expenses as provided to members of the General Assembly under subsection 1052(b) of this title during the biennial, adjourned, and special sessions of the General Assembly and in addition such other actual and necessary expenses incurred while engaged in duties imposed by law.

* * *

Sec. E.126.4 32 V.S.A. § 1052 is amended to read:

§ 1052. MEMBERS OF THE GENERAL ASSEMBLY; COMPENSATION AND EXPENSE REIMBURSEMENT

(a)(1) Each member of the General Assembly, other than the Speaker of the House and the President Pro Tempore of the Senate, is entitled to a weekly salary of $589.00 for the 2005 Biennial Session and thereafter; provided that, beginning on January 1, 2007, the weekly compensation shall be adjusted annually thereafter by the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement. The salary of members shall be paid in biweekly installments.

(2) During a special session, a member is entitled to ~~$118.00 a day~~ an amount equal to one-fifth of the annually adjusted weekly compensation set forth in subdivision (1) of this subsection, rounded up to the nearest dollar, for each day of a special session ~~which is called at any time following the 2005 biennial session for each day~~ on which the House of which he or she is a member shall sit.

* * *

Sec. E.127 Joint fiscal committee

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Joint Fiscal Committee and carried forward into fiscal year 2017, the amount of $50,000 shall revert to the General Fund.

Sec. E.127.1 RECOMMENDATIONS FOR THE FUTURE OF THE VERMONT HEALTH BENEFIT EXCHANGE

(a)(1) The Joint Fiscal Office (JFO), in collaboration with one or more independent third parties pursuant to contracts negotiated for that purpose, shall conduct an analysis for the General Assembly on or before December 15, 2016 regarding the current functionality and long-term sustainability of the technology for Vermont Health Connect.

(2) The analysis shall include a review of the outstanding deficiencies in Vermont Health Connect functionality and customer support, an analysis of the Agency of Human Service's plans and actions to address these deficiencies, and a determination as to whether those plans and actions are likely to be effective.

(3) The analysis shall include an evaluation of the feasibility and cost-effectiveness of maintaining Vermont Health Connect either as a stand-alone system or as part of the technology for a larger, integrated eligibility system, including a comparison of these costs to those of other state-based exchanges. This analysis shall include a review of licensing costs and issues as they apply to both the commercial components and the software that make up Vermont Health Connect.

(4) The analysis shall provide a comparison of the costs of alternative approaches required to ensure a sustainable, effective state-based exchange and, to the extent possible, shall provide specific recommendations and action steps for legislative consideration. Alternative approaches shall include any opportunity to build on other states' exchange technology, as well as a fully or partially federally facilitated exchange. Factors to be analyzed include required technological change, ease of transition, short-term and long-term costs for both the transition and the operation of the alternative, and implications for future developments of the Vermont health care system.

(5) Any options presented in this analysis shall be scored based upon the factors in subdivision (a)(4) of this section.

(b) In conducting the analysis pursuant to this section, and in preparing any requests for proposals from independent third parties, the JFO shall consult with health insurers offering qualified health plans on Vermont Health Connect.

(c) The Secretary of Administration, the Secretary of Human Services, and the Chief Information Officer shall provide the JFO access to reviews conducted to evaluate Vermont Health Connect and any other information required to complete this analysis. The Executive Branch shall provide other assistance as needed. If necessary, the JFO shall enter into a memorandum of understanding with the Executive Branch relating to any reviews or other information that shall protect security and confidentiality.

(d) Of the amounts appropriated in fiscal year 2017 from State funds to the Department of Vermont Health Access for the operation of Vermont Health Connect, the amount of $250,000 is transferred from the Department to the JFO for the purpose of implementing this section.

Sec. E.128 Sergeant at arms

(a) Notwithstanding any other provision of law, from fiscal year 2016 funds appropriated to the Sergeant at Arms and carried forward into fiscal year 2017, the amount of $10,000 shall revert to the General Fund.

Sec. E.128.1 2 V.S.A. § 63 is amended to read:

§ 63. SALARY

(a) The ~~base~~ salary for ~~the~~ a newly-elected Sergeant at Arms shall be ~~$47,917.00 as of January 1, 2015 provided that, beginning on July 1, 2015~~ set by the Joint Rules Committee and annually thereafter, this compensation shall be adjusted ~~by the cost of living adjustment negotiated for State employees under the most recent collective bargaining agreement~~ in accordance with any annual increase provided for legislative employees, unless otherwise determined by the Joint Rules Committee.

~~(b) The Joint Rules Committee may establish the starting salary for the Sergeant at Arms, ranging from the base salary to a salary that is 30 percent above the base salary. The maximum salary for the Sergeant at Arms shall be 50 percent above the base salary.~~

Sec. E.131 STATE TREASURER; TEACHERS' RETIREMENT PRESENTATION

(a) The State Treasurer shall work with the actuaries for the State Teachers' Retirement System and the State Employees' Retirement System and report to the General Assembly on the following:

(1) the percentage increase in the teachers and State employee salaries paid and the impact on the State Retirement Systems' funding assumptions; and

(2) the impact assessment for the current year contribution and the change to the long-term system obligation.

(b) Based on information provided by the Secretary of Education, the State Treasurer shall estimate the value of the teachers' contracts negotiated above 110% of the statewide average and calculate the impact of these contracts on the current year and future year payments of the Teachers' Retirement Fund.

(c) This report shall be submitted to the House and Senate Committees on Appropriations, Education and Government Operations as part of the State Treasurer's 2018 budget submission.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2017, investment fees shall be paid from the corpus of the Fund.

Sec. E.133.1 3 V.S.A. § 473(c) is amended to read:

(c) Employer contributions, earnings, and payments.

* * *

(4) Beginning July 1, 2008, ~~Until~~ until the unfunded accrued liability is liquidated, the basic accrued liability contribution shall be the annual payment required to liquidate the unfunded accrued liability over a closed period of 30 years ending on June 30, 2038, ~~from July 1, 2008~~ provided that:

(A) From July 1, 2009 to June 30, 2019, the amount of each annual basic accrued liability contribution ~~after June 30, 2009,~~ shall be determined by amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of five percent ~~greater than the preceding annual basic accrued liability contribution~~ per year~~.~~;

(B) Beginning July 1, 2019 and annually thereafter, the amount of each annual basic accrued liability contribution shall be determined by amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of three percent per year; and

(C) Any variation in the contribution of normal, basic, unfunded accrued liability or additional unfunded accrued liability contributions from those recommended by the actuary and any actuarial gains and losses shall be added or subtracted to the unfunded accrued liability and amortized over the remainder of the closed 30-year period.

Sec. E.141 REPEALS

(a) 2015 Acts and Resolves No. 57, Sec. 97 (amending the Lottery Commission's rulemaking authority with respect to lottery product sales locations) is repealed.

(b) 2015 Acts and Resolves No. 57, Sec. 99(15) (effective date for amendment to the Lottery Commission's rulemaking authority with respect to lottery product sales locations) is repealed.

Sec. E.141.1 31 V.S.A. § 654 is amended to read:

§ 654. POWERS AND DUTIES

The Commission shall adopt rules pursuant to 3 V.S.A. chapter 25, governing the establishment and operation of the State Lottery. The rules may include the following:

* * *

(7) ~~Ticket~~ Lottery product sales locations, which may include ~~state~~ State liquor stores and liquor agencies; private business establishments; fraternal, religious, and volunteer organizations; town clerks' offices; and ~~state~~ State fairs, race tracks and other sporting arenas;

* * *

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. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A.§ 3709.

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), $997,000 is appropriated in Sec. B.200 of this act.

Sec. E.204 PRIVATE CAUSE OF ACTION; EXTENSION OF DATE

(a) Notwithstanding 9 V.S.A. § 3048(b), a consumer may not, prior to July 1, 2017, bring a private cause of action under 9 V.S.A. chapter 63, subchapter 1, for a violation of the requirements of 9 V.S.A. chapter 82a.

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.

(b) The Department of Public Safety shall continue to provide 911 call-taking services unless otherwise directed by legislative enactment.

Sec. E.208.1 20 V.S.A. § 2063(c) is amended to read:

(c)(1) The Criminal History Record Check Fund is established and shall be managed by the Commissioner of Public Safety in accordance with the provisions of 32 V.S.A. chapter 7, subchapter 5. The ~~first $200,000.00 of~~ fees paid each year under this section shall be placed in the ~~fund~~ Fund and used for personnel and equipment related to the processing, maintenance, and dissemination of criminal history records. The Commissioner of Finance and Management may draw warrants for disbursements from this Fund in anticipation of receipts.

(2) ~~After the first $200,000.00 of fees paid each year under this section are placed in the Criminal History Record Check Fund, all~~ At the end of each fiscal year, any undesignated surplus in the Fund ~~additional fees paid during that year under this section~~ shall ~~go~~ be transferred to the General Fund.

Sec. E.208.2 CRIMINAL HISTORY RECORDS; REVIEW

(a) The Joint Justice Oversight Committee shall review the State and federal requirements for criminal history background checks, the costs incurred by local social service entities in obtaining the checks, and the cost incurred by the State in providing them. The Vermont Crime Information Center shall provide the Committee financial, performance and statistical information as needed to conduct this review. The Committee shall determine if there are changes or processes that could be implemented that maintain public safety while increasing cost effectiveness, giving particular consideration to changes that could reduce the financial burden on local social agencies conducting multiple background checks on the same person within a short time span. The

Oversight Committee shall provide any recommendations for legislation to the House and Senate Committees on Judiciary on or before January 15, 2017.

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, $1,000 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 $55,021 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.222 ONE-TIME FUNDING; 2 PLUS 2 FARM SCHOLARSHIP PROGRAM

(a) Included in the appropriation for the 2 Plus 2 Farm Scholarship Program in Sec. B.222 of this act is $35,000 in one-time funds to provide funding in a time frame that allows newly accepted freshman students to consider all of the student aid offers available to them concurrently.

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 $711,490 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for administrative expenses, 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, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

(b) No more than 20 percent of the funds appropriated to the Working Lands Enterprise Board in this section shall be used to support administration and operating expenses of the grant program.

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.228 [DELETED]

Sec. E.232 RECORDS RETENTION AND ARCHIVING

(a) The State Archivist shall, in consultation with representatives of statewide criminal justice agencies, develop recommendations and action plans for these agencies to meet their records retention and evidence requirements. These recommendations and action plans shall consider industry best practice and cost efficiency and security, including available options for digital records.

(b) The State Archivist, in consultation with the Department of Information and Innovation, shall develop best practices for how and when to destroy electronic records that are no longer required to be maintained by State agencies and departments.

Sec. E.233 30 V.S.A. § 20 is amended to read:

§ 20. PARTICULAR PROCEEDINGS AND ACTIVITIES; PERSONNEL

(a)(1) The Board or the Department of Public Service may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services:

~~(i)~~(A) To assist the Board or Department in any proceeding listed in subsection (b) of this section.

~~(ii)~~(B) To monitor compliance with any formal opinion or order of the Board.

~~(iii)~~(C) In proceedings under section 248 of this title, to assist other State agencies that are named parties to the proceeding where the Board or Department determines that they are essential to a full consideration of the petition, or for the purpose of monitoring compliance with an order resulting from such a petition.

~~(iv)~~(D) In addition to the ~~above~~ services in subdivisions (1)(A)–(C) of this subsection (a), in proceedings under subsection 248(h) of this title, by contract with the regional planning commission of the region or regions affected by a proposed facility, to assist in determining conformance with local and regional plans and to obtain the ~~commissions~~ commission's data, analysis,

and recommendations on the economic, environmental, historic, or other impact of the proposed facility in the region.

~~(v)~~(E) To assist in monitoring the ongoing and future reliability and the postclosure activities of any nuclear generating plant within the State. ~~For the purpose of~~ In this ~~subdivision~~ section, "postclosure activities" includes planning for and implementation of any action within the State's jurisdiction that shall or will occur when the plant permanently ceases generating electricity.

(2) The Agency of Natural Resources may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services to:

(A) Assist the Agency of Natural Resources in any proceeding under section 248 of this title.

(B) Monitor compliance with an order issued under section 248 of this title.

(C) Assist the Board or the Department of Public Service in any proceedings described in subdivisions (b)(9) (Federal Energy Regulatory Commission) and (11) (Nuclear Regulatory Commission) of this section. Allocation of Agency of Natural Resources costs under this subdivision (C) shall be in the same manner as provided under subdivisions (b)(9) and (11) of this section. The Agency of Natural Resources shall report annually to the Joint Fiscal Committee all costs incurred and expenditures charged under the authority of this subsection with respect to proceedings under subdivision (b)(9) of this section and the purpose for which such costs were incurred and expenditures made.

(D) Assist in monitoring the postclosure activities of any nuclear generating plant within the State.

(3) The Department of Health may authorize or retain legal counsel, official stenographers, expert witnesses, advisors, temporary employees, and other research, scientific, or engineering services to assist in monitoring the postclosure activities of any nuclear generating plant within the State.

(4) The personnel authorized by this section shall be in addition to the regular personnel of the Board or the Department of Public Service or other State agencies; and in the case of the Department of Public Service or other State agencies may be retained only with the approval of the Governor and after notice to the applicant or the ~~public service~~ company or companies involved. The Board or the Department of Public Service shall fix the amount of compensation and expenses to be paid such additional personnel, except that the Agency of Natural Resources or the Department of Health, respectively,

shall fix the amount of compensation and expenses to be paid to additional personnel that it retains under ~~subdivision~~ subdivisions (2) or (3) of this subsection.

* * *

Sec. E.233.1 30 V.S.A. § 21 is amended to read:

§ 21. PARTICULAR PROCEEDINGS AND ACTIVITIES; ASSESSMENT OF COSTS

(a) ~~The Board, the Department, or the Agency of Natural Resources~~ An agency may allocate the portion of the expense incurred or authorized by it in retaining additional personnel ~~for the particular proceedings authorized in~~ pursuant to section 20 of this title to the applicant or the ~~public service~~ company or companies involved ~~in those proceedings~~. In this section, "agency" means an agency, board, or department of the State enabled to authorize or retain personnel under section 20 of this title.

(1) The Board shall upon petition of an applicant or ~~public service~~ company to which costs are proposed to be allocated, review and determine, after opportunity for hearing, having due regard for the size and complexity of the project, the necessity and reasonableness of such costs, and may amend or revise such allocations. Nothing in this section shall confer authority on the Board to select or decide the personnel, the expenses of whom are being allocated, unless such personnel are retained by the Board. Prior to allocating costs, the Board shall make a determination of the purpose and use of the funds to be raised hereunder, identify the recipient of the funds, provide for allocation of costs among companies to be assessed, indicate an estimated duration of the ~~proceedings~~ retention of personnel whose costs are being allocated, and estimate the total costs to be imposed. With the approval of the Board, such estimates may be revised as necessary. From time to time during the progress of the work of such additional personnel, the ~~Board, the Department, or the Agency of Natural Resources~~ agency retaining the personnel shall render to the company detailed statements showing the amount of money expended or contracted for in the work of such personnel, which statements shall be paid by the applicant or the ~~public service~~ company into the State Treasury at such time and in such manner as the ~~Board, the Department, or the Agency of Natural Resources~~ agency may reasonably direct.

(2) In any proceeding under section 248 of this title, the Agency of Natural Resources may allocate the portion of the expense incurred in retaining additional staff authorized in subsection 21(a) of this title only if the following apply:

(A) the Agency of Natural Resources does not have the expertise and the retention of such expertise is required to fulfill ~~the Agency's~~ its statutory obligations in the proceeding; and

(B) the Agency of Natural Resources allocates only that portion of the cost for such expertise that exceeds the fee paid by the applicant under section 248b of this title.

(b) When regular employees of ~~the Board, the Department, or the Agency of Natural Resources~~ an agency are employed in the particular proceedings and activities described in section 20 of this title, the ~~Board, the Department, or the Agency of Natural Resources~~ agency may also allocate the portion of ~~their~~ its costs and expenses to the applicant or the ~~public service~~ company or companies involved ~~in the proceedings~~. The costs of regular employees shall be computed on the basis of working days within the salary period. The manner of assessment and of making payments shall otherwise be as provided for additional personnel in subsection (a) of this section. However, with respect to proceedings under section 248 of this title, the Agency of Natural Resources shall not allocate the costs of regular employees.

* * *

(e) ~~On or before January 15, 2011, and annually thereafter, the Agency of Natural Resources~~ Annually, on or before January 15, each agency shall report to the Senate and House Committees on Natural Resources and Energy the total amount of expenses allocated under this section during the previous fiscal year. The report shall include the name of each applicant or ~~public service~~ company to whom expenses were allocated and the amount allocated to each applicant or company.

* * *

(g) ~~The Board, or the Department with the approval of the Governor,~~ An agency may allocate such portion of expense incurred or authorized by it in compensating persons retained in the monitoring of postclosure activities of a nuclear generating plant pursuant to ~~subdivision 20(a)(1)(v)~~ subsection 20(a) of this title to the ~~nuclear generating~~ plant whose activities are being monitored. Except for the Board, the agency shall obtain the approval of the Governor before making such an allocation.

* * *

* * * 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 2017 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.1 3 V.S.A. § 3022a is added to read:

§ 3022a. IMPROVING GRANTS MANAGEMENT FOR RESULTS-BASED PROGRAMS

(a) The Secretary of Human Services shall compile a grants inventory using the Department of Finance and Management's master list of all grants awarded during the prior fiscal year by the Agency or any of its Departments to any public and private entities. The inventory should reflect:

(1) the date and title of the grant;

(2) the amount of federal and State funds committed during the prior fiscal year;

(3) a summary description of each grant;

(4) the recipient of the grant;

(5) the department responsible for making the award;

(6) the major Agency program served by the grant;

(7) the existence or nonexistence in the grant of performance measures;

(8) the scheduled expiration date of the grant;

(9) the number of people served by each grant;

(10) the length of time the entity has had the grant; and

(11) the indirect rate of the entity.

(b) Annually, on or before January 15, the Agency shall submit the inventory to the General Assembly in an electronic format.

(c) The Secretary of Human Services and the Chief Performance Officer shall report to the Government Accountability Committee in September of each year and to the House and Senate Committees on Appropriations annually, on or before January 15, regarding the progress of the Agency in improving grant management in regard to:

(1) compilation of the inventory required in subsection (a) of this section;

(2) establishing a drafting template to achieve common language and requirements for all grant agreements, to the extent that it does not conflict with Agency of Administration Bulletin 5 – Policy for Grant Issuance and Monitoring or federal requirements contained in 2 C.F.R. Chapter I, Chapter II, Part 200, including:

(A) a specific format covering expected goals and clear concise performance measures that demonstrate results and which are attached to each goal; and

(B) providing both community organizations and the Agency the same point of reference in assessing how the grantees are meeting expectations in terms of performance;

(3) executing Designated Agency Master Grant agreements using the new drafting template;

(4) executing grant agreements with other grantees using the new drafting template; and

(5) progress in improving the overall timeliness of executing agreements.

Sec. E.300.2 REDUCING DUPLICATION OF AHS SERVICES; PROGRESS REPORT

(a) On or before November 15, 2016, the Agency of Human Services shall report to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare regarding its progress in implementing the recommendations in the areas of case management, medication management, and diagnostic assessment and evaluation contained in the report on reducing duplication of services that the Agency submitted to the General Assembly on January 15, 2016 pursuant to 2015 Acts and Resolves No. 54, Sec. 25.

Sec. E.300.3 2014 Acts and Resolves No. 158 is amended to read:

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

* * *

Sec. 13. REPORTS

* * *

(d) On or before November 30, 2016. the Department of Mental Health, the Department of Disabilities, Aging and Independent Living and the Department of Corrections shall report to the Health Reform Oversight Committee and the Joint Legislative Oversight Committee on the Departments' examination of the implications of this act and the Departments' proposals for strengthening the

act to help ensure its successful implementation. The report shall include recommendations for defining traumatic brain injury for purposes of determining when one may challenge a defendant's sanity at the time of the alleged offense or a defendant's mental competency to stand trial for the alleged offense. The report shall also identify appropriate treatment options and venues for this population and shall assess the funding that would be required to implement the legislation as drafted or, in the alternative, to develop and support the report's recommendations.

* * *

Sec. 16. EFFECTIVE DATES

(a) Secs. 1-12 shall take effect on July 1, ~~2017~~ 2018.

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Sec. E.300.4 SUSTAINABILITY OF TOBACCO PROGRAMS AND PLAN TO REPLACE LOSS OF STRATEGIC CONTRIBUTION FUNDS

(a) The Secretary of Administration or designee, the Secretary of Human Services or designee, the Tobacco Evaluation and Review Board, and participating stakeholders in the implementation of the tobacco control programs shall develop an action plan for tobacco program funding at a level necessary to maintain the gains made in preventing and reducing tobacco use that have been accomplished since their inception. In addition, the plan shall consider utilizing a percentage of tobacco revenues and the inclusion of monies that have been withheld by tobacco manufacturers but which may be received by the State of Vermont in future years.

(b) The Secretary of Human Services shall present this plan to the Joint Fiscal Committee at its November 2016 meeting.

Sec. E.300.5 DESIGNATED AND SPECIALIZED AGENCIES; RATE INCREASE

(a) The funds allocated in this act shall be to increase the amounts paid to designated agencies and specialized service agencies and shall be used by those agencies to increase total compensation for direct care workers and non-executive level staff. For the purposes of this section, direct care workers shall include case managers, service coordinators and independent direct care support workers. Up to 10% of the funds may be used for administrative expenditures such as hiring, training and performance management systems. Each designated and specialized service agency shall report to the Agency of Human Services how it has complied with this provision.

Sec. E.300.6 RATE INCREASE FOR NONDESIGNATED SERVICE PROVIDERS

(a) Of the Global Commitment Funds appropriated to the Agency of Human Services Central office, $1,751,313 shall be used to provide an across-the-board reimbursement rate increase not to exceed 2 percent for nondesignated service providers that include choices for care home and community based providers, area agencies on aging and group home providers in the Department for Children and Families. This appropriation shall be transferred to the respective departments upon determination of the appropriate amounts for transfer.

(b) The Agency may use any funds unallocated in subsection (a) of this section to establish a method of short term financial assistance for home health agencies at risk of insolvency and closure where such relief would allow an agency to transition to long term financial viability.

(c) Agencies receiving funds allocated as result of subsection (a) of this section, shall utilize the funds to increase total compensation for direct care workers and non-executive level staff. For the purposes of this section, direct care workers shall include case managers, service coordinators and independent direct care support workers. Up to 10% of the funds may be used for administrative expenditures such as hiring, training and performance management systems.

Sec. E.300.7 VERMONT LAW SCHOOL; LEGAL CLINIC SUPPORT

(a) The Secretary shall issue grants of $135,000 in the last quarter of fiscal year 2016 and the first quarter of fiscal year 2017 to the Vermont Law School Legal Clinic to support its legal services programs and strengthen its services in domestic violence and veterans-related issues.

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 $29,633,326 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) $18,500,400 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with $21,999,600 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) $4,091,214 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) $1,883,273 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-age children.

(4) $2,731,052 certified State match available via the University of Vermont's Child Health Improvement Program for quality improvement initiatives for the Medicaid program.

(5) $2,427,387 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

Sec. E.304 3 V.S.A. § 3091(h) is amended to read:

(h)(1) Notwithstanding subsections (d) and (f) of this section, the Secretary shall review all Board decisions and orders concerning TANF, TANF-EA, Office of Child Support Cases, ~~and~~ Medicaid, and the Vermont Health Benefit Exchange. The Secretary shall:

(A) adopt a Board decision or order, except that the Secretary may reverse or modify a Board decision or order if:

(i) the Board's findings of fact lack any support in the record; or

(ii) the decision or order implicates the validity or applicability of any Agency policy or rule.

(B) issue a written decision setting forth the legal, factual, or policy basis for reversing or modifying a Board decision or order.

(2) Notwithstanding subsections (d) and (f) of this section, a Board decision and order concerning TANF, TANF-EA, Office of Child Support, ~~or~~ Medicaid, and the Vermont Health Benefit Exchange shall become the final

and binding decision of the Agency upon its approval by the Secretary. The Secretary shall either approve, modify, or reverse the Board's decision and order within 15 days of the date of the Board decision and order. If the Secretary fails to issue a written decision within 15 days as required by this subdivision, the Board's decision and order shall be deemed to have been approved by the Secretary.

* * *

Sec. E.306 18 V.S.A. § 9351 is amended to read:

§ 9351. HEALTH INFORMATION TECHNOLOGY PLAN

(a) The Secretary of Administration or designee shall be responsible for the overall coordination of Vermont's statewide Health Information Technology Plan. The Plan shall be updated every five years to create a strategic vision for clinical health information technology. The Secretary or designee shall administer ~~and update~~ the Plan ~~as needed~~, which shall include the implementation of an integrated electronic health information infrastructure for the sharing of electronic health information among health care facilities, health care professionals, public and private payers, and patients. The Plan shall include standards and protocols designed to promote patient education, patient privacy, physician best practices, electronic connectivity to health care data, and, overall, a more efficient and less costly means of delivering quality health care in Vermont.

* * *

(c) The Secretary of Administration or designee ~~shall~~ may update the ~~plan annually~~ Plan as needed to reflect emerging technologies, the State's changing needs, and such other areas as the Secretary or designee deems appropriate. The Secretary or designee shall solicit recommendations from Vermont Information Technology Leaders, Inc. (VITL) and other entities in order to update the Health Information Technology Plan pursuant to this section, including applicable standards, protocols, and pilot programs, and may enter into a contract or grant agreement with VITL or other entities to update some or all of the Plan. Upon approval by the Secretary, the updated Plan shall be distributed to 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; the House Committee on Health Care; affected parties; and interested stakeholders. Unless major modifications are required, the Secretary may present updated information about the Plan to the Green Mountain Care Board and legislative committees of jurisdiction in lieu of creating a written report.

* * *

(f) ~~Qualified applicants may seek grants to invest in the infrastructure necessary to allow for and promote the electronic exchange and use of health information from federal agencies, including the Office of the National Coordinator for Health Information Technology, the Health Resources and Services Administration, the Agency for Healthcare Research and Quality, the Centers for Medicare and Medicaid Services, the Centers for Disease Control and Prevention, the U.S. Department of Agriculture, and the Federal Communications Commission. The Secretary of Administration or designee shall require applicants for grants authorized pursuant to Section 13301 of Title XXX of Division A of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, to submit the application for State review pursuant to the process established in federal Executive Order 12372, Intergovernmental Review of Federal Programs. Grant applications shall be consistent with the goals outlined in the strategic plan developed by the Office of the National Coordinator for Health Information Technology and the statewide Health Information Technology Plan.~~ [Repealed.]

Sec. E.306.1 18 V.S.A. § 9352(h) is amended to read:

(h) ~~Loan and grant programs. VITL shall solicit recommendations from the Secretary of Administration or designee, health insurers, the Vermont Association of Hospitals & Health Systems, Inc., the Vermont Medical Society, Bi-State Primary Care Association, the Council of Developmental and Mental Health Services, the Behavioral Health Network, the Vermont Health Care Association, the Vermont Assembly of Home Health Agencies, other health professional associations, and appropriate departments and agencies of State government, in establishing a financing program, including loans and grants, to provide electronic health records systems to providers, with priority given to Blueprint communities and primary care practices serving low income Vermonters. Health information technology systems acquired under a grant or loan authorized by this section shall comply with data standards for interoperability adopted by VITL and the State Health Information Technology Plan. An implementation plan for this loan and grant program shall be incorporated into the State Health Information Technology Plan.~~ [Repealed.]

Sec. E.306.2 18 V.S.A. § 706(c) and (d) are amended to read:

(c)(1) The Blueprint payment reform methodologies shall include per-person per-month payments to medical home practices by each health insurer and Medicaid for their attributed patients and for contributions to the shared costs of operating the community health teams. Per-person per-month payments to practices shall be based on the official National Committee for Quality Assurance's Physician Practice Connections–Patient Centered Medical

Home (NCQA PPC-PCMH) score to the extent practicable and shall be in addition to their normal fee-for-service or other payments.

(2) Consistent with the recommendation of the Blueprint expansion design and evaluation committee, the director of the Blueprint may ~~implement~~ recommend to the Commissioner of Vermont Health Access changes to the payment amounts or to the payment reform methodologies described in subdivision (1) of this subsection, including by providing for enhanced payment to health care professional practices which operate as a medical home, including primary care naturopathic physicians' practices; payment toward the shared costs for community health teams; or other payment methodologies required by the Centers for Medicare and Medicaid Services (CMS) for participation by Medicaid or Medicare.

* * *

(d) An insurer may appeal a decision ~~of the director~~ to require a particular payment methodology or payment amount to the ~~commissioner of Vermont health access~~ Commissioner of Vermont Health Access, who shall provide a hearing in accordance with 3 V.S.A. chapter 25. An insurer aggrieved by the decision of the ~~commissioner~~ Commissioner may appeal to the ~~superior court~~ Superior Court for the Washington district within 30 days after the ~~commissioner~~ Commissioner issues his or her decision.

Sec. E.306.3 [DELETED]

Sec. E.306.4 [DELETED]

Sec. E.306.5 33 V.S.A. § 1901e(c) is amended to read:

(c) ~~At the close of the fiscal year~~ Annually, on or before October 1, the Agency shall provide a detailed report to the Joint Fiscal Committee which describes the managed care organization's investments under the terms and conditions of the Global Commitment for Health Medicaid Section 1115 waiver, including the amount of the investment and the agency or departments authorized to make the investment.

Sec. E.306.6 33 V.S.A. § 1901h is amended to read:

§ 1901h. PROSPECTIVE PAYMENT; HOME HEALTH SERVICES

(a) On or before ~~July 1, 2016~~ July 1, 2017 and upon approval from the Centers for Medicare and Medicaid Services, the Department of Vermont Health Access shall modify reimbursement methodologies to home health agencies, as defined in section 1951 of this title, in order to implement prospective payments for the medical services paid for by the Department under the Global Commitment to Health waiver, and to replace fee-for-service

payment methodologies. The Department shall determine an appropriate schedule for determining a revised base calculation for the payment.

* * *

Sec. E.306.7 33 V.S.A. § 1908 is amended to read:

§ 1908. MEDICAID; PAYER OF LAST RESORT; RELEASE OF INFORMATION

(a) Any clause in an insurance contract, plan, or agreement which limits or excludes payments to a recipient is void.

(b) Medicaid shall be the payer of last resort to any insurer which contracts to pay health care costs for a recipient.

(c) Every applicant for or recipient of Medicaid under this subchapter is deemed to have authorized all third parties to release to the Agency all information needed by the Agency to secure or enforce its rights under this subchapter. The Agency shall inform an applicant or recipient of the provisions of this subsection at the time of application for Medicaid benefits.

(d) ~~At the Agency's request, an insurer shall provide the Agency with the information necessary to determine whether an applicant or recipient of Medicaid under this subchapter is or was covered by the insurer and the nature of the coverage, including the member, subscriber, or policyholder information necessary to determine third party liability and other information required under 18 V.S.A. § 9410(h). The Agency may require the insurer to provide the information electronically~~ On and after July 1, 2016, an insurer shall accept the Agency's right of recovery and the assignment of rights and shall not charge the Agency or any of its authorized agents fees for the processing of claims or eligibility requests. Data files requested by or provided to the Agency shall provide the Agency with eligibility and coverage information that will enable the Agency to determine the existence of third-party coverage for Medicaid recipients, the period during which Medicaid recipients may have been covered by the insurer, and the nature of the coverage provided, including information such as the name, address, and identifying number of the plan.

(e)(1) Upon request, to the extent permitted under the federal Health Insurance Portability and Accountability Act and other federal privacy laws and notwithstanding any State privacy law to the contrary, an insurer shall transmit to the Agency, in a manner prescribed by the Centers for Medicare and Medicaid Services or as agreed between the insurer and the Agency, an electronic file of all of the insurer's identified subscribers or policyholders and their dependents.

(2) An insurer shall comply with a request under the provisions of this subsection no later than 60 days following the date of the Agency's request and shall be required to provide the Agency with only the information required by this section.

(3) The Agency shall request the data from an insurer once each month. The Agency shall not request subscriber or policyholder enrollment data that precede the date of the request by more than three years.

(4) The Agency shall use the data collected pursuant this section solely for the purposes of determining whether a Medicaid recipient also has or has had coverage with the insurer providing the data.

(5) The Agency shall ensure that all data collected and maintained pursuant to this section are collected and stored securely and that such data are stored no longer than necessary to determine whether Medicaid benefits may be coordinated with the insurer, or as otherwise required by law.

Insurers shall not be liable for any security incidents caused by the Agency in the collection or maintenance of the data.

(f)(1) Each insurer shall submit a file containing information required to coordinate benefits, such as the name, address, group policy number, coverage type, Social Security number, and date of birth of each subscriber or policyholder and each dependent covered by the insurer, including the policy effective and termination dates, claims submission address, and employer's mailing address.

(2) The Agency shall adopt rules governing the exchange of information pursuant to this section. The rules shall be consistent with laws relating to the confidentiality or privacy of personal information and medical records, including the Health Insurance Portability and Accountability Act.

(g) From funds recovered pursuant to this subchapter, the federal government shall be paid a portion equal to the proportionate share originally provided by the federal government to pay for medical assistance to a recipient or minor.

Sec. E.306.8 33 V.S.A. § 111(a) is amended to read:

(a)(1) The names of or information pertaining to applicants for or recipients of assistance or benefits, including information obtained under section 112 of this title, shall not be disclosed to anyone, except for the purposes directly connected with the administration of the Department or when required by law.

(2) Names of or information pertaining to applicants for or recipients of Medicaid shall be subject to the confidentiality provisions set forth in section 1902a of this title.

Sec. E.306.9 33 V.S.A. § 1902a is added to read:

§ 1902a. CONFIDENTIALITY OF MEDICAID APPLICATIONS AND RECORDS; DISCLOSURE TO AUTHORIZED REPRESENTATIVE

(a) All applications submitted and records created under the authority of this chapter concerning any applicant for or recipient of Medicaid are confidential and shall be made available only to persons authorized by the Agency, the State, or the United States for purposes directly related to plan administration. In addition, the Agency shall maintain a process to allow a Medicaid applicant or recipient or his or her authorized representative to have access to confidential information when necessary for an eligibility determination and the appeals process.

(b) Applications and records considered confidential are those that disclose:

(1) the name and address of the applicant or recipient;

(2) medical services provided;

(3) the applicant's or recipient's social and economic circumstances;

(4) the Agency's evaluation of personal information;

(5) medical data, including diagnosis and past history of disease or disability; and

(6) any information received for the purpose of verifying income eligibility and determining the amount of medical assistance payments.

(c) A person found to have violated this section may be assessed an administrative penalty of not more than $1,000.00 for a first violation and not more than $2,000.00 for any subsequent violation.

(d) As used in this section:

(1) "Authorized representative" means any person designated by a Medicaid applicant or recipient to review confidential information about the Medicaid applicant or recipient pertaining to the eligibility determination and the appeals process.

(2) "Purposes directly related to plan administration" means establishing eligibility, determining the amount of medical assistance, providing services to recipients, conducting or assisting with an investigation or prosecution, and civil or criminal proceedings, or audits, related to the administration of the State Medicaid program.

Sec. E.306.10 33 V.S.A. § 2001 is amended to read:

§ 2001. LEGISLATIVE OVERSIGHT

(a) In connection with the Pharmacy Best Practices and Cost Control Program, the Commissioner of Vermont Health Access shall report for review by the ~~Health Care Oversight Committee, prior to initial implementation, and~~ House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare prior to any ~~subsequent~~ modifications:

(1) the compilation that constitutes the preferred drug list or list of drugs subject to prior authorization or any other utilization review procedures;

(2) any utilization review procedures, including any prior authorization procedures; and

(3) the procedures by which drugs will be identified as preferred on the preferred drug list, and the procedures by which drugs will be selected for prior authorization or any other utilization review procedure.

(b) The ~~Health Care Oversight Committee~~ Committees shall closely monitor implementation of the preferred drug list and utilization review procedures to ensure that the consumer protection standards enacted pursuant to section 1999 of this title are not diminished as a result of implementing the preferred drug list and the utilization review procedures, including any unnecessary delay in access to appropriate medications. The ~~Committee~~ Committees shall ensure that all affected interests, including consumers, health care providers, pharmacists, and others with pharmaceutical expertise have an opportunity to comment on the preferred drug list and procedures reviewed under this subsection.

(c) The Commissioner of Vermont Health Access shall report annually on or before ~~August 31~~ October 30 to the ~~Health Reform Oversight Committee~~ House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare concerning the Pharmacy Best Practices and Cost Control Program. Topics covered in the report shall include issues related to drug cost and utilization; the effect of national trends on the pharmacy program; comparisons to other states; and decisions made by the Department's Drug Utilization Review Board in relation to both drug utilization review efforts and the placement of drugs on the Department's preferred drug list.

* * *

Sec. E.306.11 PRESCRIBING PRACTICES; CLINICAL UTILIZATION REVIEW BOARD; REPORT

(a) The Clinical Utilization Review Board in the Department of Vermont Health Access shall analyze data from prescriptions dispensed to Medicaid beneficiaries, including prescriptions written to treat mental health conditions, to determine whether health care providers routinely follow the U.S. Food and Drug Administration's recommended dosage amounts. On or before January 15, 2017, the Clinical Utilization Review Board shall report its findings and any recommendations to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare.

Sec. E.306.12 APPROPRIATION; AMBULANCE PROVIDER REIMBURSEMENT RATES

(a) Of the funds appropriated to the Department, $2,300,000 in fiscal year 2017 shall be allocated for the purpose of increasing reimbursement rates to ambulance agencies beginning on July 1, 2016 for services provided to Medicaid beneficiaries.

(b) As part of the fiscal year 2017 budget adjustment the Department shall report on the impact of this reimbursement change and status of implementation and collection of the ambulance provider tax enacted in fiscal year 2017.

Sec. E.306.13 PRIMARY CARE REALLOCATION

(a) Beginning in hospital budget year 2017 the Department of Vermont Health Access shall use up to $4,000,000 to increase reimbursement rates to Medicaid participating providers for Medicaid primary care services delivered on or after October 1, 2016. The purpose of the increase shall be to restore in part the primary care rate increase that was provided with federal funds through the Affordable Care Act and that expired on December 31, 2014.

(b) To offset the increases required by subsection (a) of this section within the resources appropriated to the Department of Vermont Health Access by this act, the Department is authorized to adjust as needed the rates of payments for inpatient care, outpatient care, professional services, and other Medicaid-covered services at academic medical centers providing tertiary care beginning on October 1, 2016.

(c) On or before November 1, 2016, the Department of Vermont Health Access shall provide a report on its implementation of this section to the Health Reform Oversight Committee and the Joint Fiscal Committee.

Sec. E.306.14 APPLIED BEHAVIOR ANALYSIS

(a) The Department of Vermont Health Access shall, in consultation with interested parties, examine its current network of providers of Applied Behavior Analysis (ABA) services to Vermonters with autism spectrum disorders and determine if the reimbursement rates currently in place are sufficient to sustain a provider network large enough to allow access to all Medicaid enrollees eligible to receive ABA services.

Sec. E.306.15 MEDICAID NON-EMERGENCY TRANSPORTATION

(a) In fiscal year 2017, when the General Assembly is not in session, prior to executing a contract to provide Medicaid Non-Emergency Transportation services, the Department of Vermont Health Access shall provide to the Joint Fiscal Committee for review and approval a detailed analysis that executing such a contract shall not compromise any State policy, including the coordinated delivery of transportation services of the Elderly and Disabled program and the Medicaid Non-Emergency Transportation program, that there will be no degradation of service to eligible individuals, and that the financial stability of the State's public transportation systems will be maintained. The analysis shall also include the impact of the Agency of Transportation investments in vehicles, technology, and other capital investments in the coordinated care delivery model.

Sec. E.307 GROUP THERAPY ANALYSIS

(a) The Department of Vermont Health Access shall, in consultation with interested parties, analyze utilization trends of individual and group psychotherapy to determine if the reimbursement rates currently in place for group therapy are sufficient to sustain access to cost-effective and appropriate psychotherapy services to all Medicaid enrollees eligible to receive services.

Sec. E.307.1 [DELETED]

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 fiscal year 2016 between the 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 fiscal year 2016 total Choices for Care expenditure. The one percent shall function as a reserve to the Choices for Care - Long Term Care base budget to be used to cover unanticipated expenditure trends thus potentially preventing or delaying the need to impose a High Needs waitlist. 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 program within the Global Commitment 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.

(B) Savings either shall be one-time investments or shall be used in ways that are sustainable into the future. Any unexpended and unobligated State General Fund or Special Fund appropriation remaining at the close of a fiscal year shall be carried forward to the next fiscal year.

(C) Subsequent to the assessment required by subsection (c) of this section, the Department shall recommend the allocation of savings between increased rates or base funding support for home and community based providers but shall be no greater than 20 % of total savings, an allocation to bring equity in funding and moderate needs group capacity across the adult day providers, and an allocation for increasing capacity to accommodate higher caseload needing home and community based services.

(D) 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.

(E) 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 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, 2016, 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, 2017, 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 program.

Sec. E.308.1 CHOICES FOR CARE; HOME-DELIVERED MEALS

(a) The Secretary of Human Services shall request approval from the Centers for Medicare and Medicaid Services for an amendment to Vermont's Global Commitment to Health waiver that allows home-delivered meals to be a reimbursable covered service under the Choices for Care program when the meals:

(1) are part of a participant's service plan of care; and

(2) meet the Vermont's area agencies on aging's nutrition requirements in accordance with the Older Americans Act, 42 U.S.C. §§ 3001–30058ff.

(b) Participants of the Choices for Care program receiving home-delivered meals pursuant to a service plan of care shall not have their personal care hours reduced as a result of receiving home-delivered meals.

Sec. E.311 RULEMAKING

(a) The Commissioner of Health shall amend the Department's rules pertaining to food service establishments pursuant to 3 V.S.A. chapter 25 to define "occasional" as it pertains to registered charitable nonprofit organizations to mean not more than four times a month and not more than 12 days in total in any calendar year.

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2017 and as provided in this section, the Department of Health shall provide grants in the amount of $475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. 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 according to an RFP process.

(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 2017, 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 syringe exchange programs, 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.

(5) In fiscal year 2017, the Department of Health shall provide grants in the amount of $150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2017. Grant reporting shall include outcomes and results.

(b) The funding for tobacco cessation and prevention activities in fiscal year 2017 shall include funding for tobacco cessation programs that serve pregnant women.

Sec. E.318 CHILD CARE SERVICES PROGRAM; WAITLIST

(a) Prior to implementing a waitlist or cap on the number of subsidized child care slots in fiscal year 2017, the Department for Children and Families shall report at the November 2016 meeting of the Joint Fiscal Committee on the status of the caseload, the caseload projection, and available funding. Regardless of a subsidy waitlist or cap implementation, the Department shall report on the inventory and availability of subsidized child care slots and whether access is limited in any region of the State.

Sec. E.318.1 SUBSIDIZED INFANT CHILD CARE RATE ADJUSTMENT

(a) The Commissioner is authorized to adjust rates as needed for subsidized infant child care to ensure adequate client access and provider viability within the existing appropriation for the child care financial assistance program.

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM

(a) For State fiscal year 2017, 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 Agency may award grants to homeless and housing service providers for eligible activities. 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 goals and procedures for evaluating the program overall, including performance measures that demonstrate program results, 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 HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2017 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The cold weather exception policy 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.

Sec. E.321.2 2013 Acts and Resolves No. 50, Sec. E.321.2(c), as amended by 2015 Acts and Resolves No. 58, Sec. E.321.2, is further amended to read:

(c) On or before ~~January 31 and~~ July 31 of each year beginning in ~~2015~~ 2016, the Agency of Human Services shall report statewide statistics related to the use of emergency housing vouchers during the preceding ~~calendar half-year~~ State fiscal year, including demographic information, deidentified client data, shelter and motel usage rates, clients' primary stated cause of homelessness, average lengths of stay in emergency housing by demographic group and by type of housing, and such other relevant data as the Secretary deems appropriate. When the General Assembly is in session, the Agency shall provide its report to the House Committee on General, Housing and Military Affairs, the Senate Committee on Economic Development, Housing and General Affairs, and the House and Senate Committees on Appropriations. When the General Assembly is not in session, the Agency shall provide its report to the Joint Fiscal Committee.

Sec. E.323 33 V.S.A. § 1108(d) is amended to read:

(d) Notwithstanding subsection (a) of this section, a participating family that does not have a qualifying deferment under section 1114 of this title and that has exceeded the cumulative 60-month lifetime eligibility period set forth in subsection (a) of this section shall qualify for a hardship exemption that allows the adult member of the participating family to receive:

(1) a wage equivalent to that of the participating family's cash benefit under the Reach Up program for participation in ~~community service employment~~ any of the work activities listed in subsection (28) of section 1101 of this title, with the exception of subsection (28)(L); or

* * *

Sec. E.323.1 33 V.S.A. § 1134 is amended to read:

§ 1134. PROGRAM EVALUATION

On or before January 31 of each year, the Commissioner shall design and implement procedures to evaluate, measure, and report to the Governor and the General Assembly the Department's progress in achieving the goals of the

programs provided for in sections 1002, 1102, and 1202 of this title. The report shall include:

* * *

(7) a description of the current basic needs budget and housing allowance, the current maximum grant amounts, and the basic needs budget and housing allowance adjusted to reflect an annual cost-of-living increase; ~~and~~

(8) a description of the families, during the last fiscal year, that included an adult family member receiving financial assistance for 60 or more months in his or her lifetime, including:

(A) the number of families and the types of barriers facing these families; and

(B) the number of families that became ineligible for the Reach Up program pursuant to subsection 1108(a) of this title, and the types of income and financial assistance received by those families that did not return to the Reach Up program within 90 days of becoming ineligible; and

(9) a description of the families in the postsecondary education program pursuant to section 1122 of this title, including the number of participating families and any barriers to their further participation.

Sec. E.323.2 33 V.S.A. § 1103(c) is amended to read:

(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:

* * *

(9) The amount of ~~$125.00~~ $105.00 of the Supplemental Security Income payment received by a parent excluding payments received on behalf of a child shall count toward the determination of the amount of the family's financial assistance grant.

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, 2016, and for program administration, the Commissioner of Finance and Management shall transfer $2,550,000 from the Home Weatherization Assistance 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 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 Fund be necessary for the 2016–2017 crisis set-aside and for seasonal home heating fuel assistance through December 31, 2016 and if LIHEAP funds awarded as of December 31, 2016 for fiscal year 2017 do not exceed $2,550,000, subsequent payments under the Home Heating Fuel Assistance Program shall not be made prior to January 30, 2017. Notwithstanding any other provision of law, payments authorized by the Department for Children and Families' Economic Services Division shall not exceed funds available, except that for fuel assistance payments made through December 31, 2016, the Commissioner of Finance and Management may anticipate receipts into the Home Weatherization Assistance Fund.

Sec. E.324.1 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.324.2 LIHEAP AND WEATHERIZATION

(a) Notwithstanding 33 V.S.A. §§ 2603 and 2501, in fiscal year 2017, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer up to 15 percent of the federal fiscal year 2017 federal Low Income Home Energy Assistance Program (LIHEAP) block grant from the federal funds appropriation in Sec. B.324 of this act to the Home Weatherization Assistance appropriation in Sec. B.326 of this act to be used for weatherization in State fiscal year 2017. An equivalent appropriation transfer shall be made to Sec. B.324 of this act, Low Income Home Energy Assistance Program, from the Home Weatherization Assistance Fund in Sec. B.326 of this act to provide home heating fuel benefits in State fiscal year 2017. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next meeting.

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.335 ELECTRONIC MONITORING

(a) The Commissioner of Corrections may expend funds to contract for electronic monitoring in fiscal year 2017 in any region of the State where an electronic monitoring program is operational and would result in concurrent savings to the Department that at a minimum is sufficient to offset the costs of the contracts to the Department.

Sec. E.337 28 V.S.A. § 120 is amended to read:

§ 120. DEPARTMENT OF CORRECTIONS EDUCATION PROGRAM; INDEPENDENT SCHOOL

(a) Authority. An education program is established within the Department of Corrections for the education of persons who have not completed secondary education or are assessed to have a moderate-to-high criminogenic need by one or more corrections risk assessments and who are committed to the custody of the Commissioner.

(b) Applicability of education provisions. The education program shall be approved by the State Board of Education as an independent school under 16 V.S.A. § 166, ~~shall comply with the education quality standards provided by 16 V.S.A. § 165,~~ and shall be coordinated with adult education, special education, and career technical education.

(c) Program supervision. The Commissioner of Corrections shall appoint a ~~Director of Corrections Education, who shall be~~ licensed ~~as an~~ administrator under 16 V.S.A. chapter 51~~,~~ to serve as the ~~Superintendent of the Community High School of Vermont~~ Headmaster of Correction Education and coordinate use of other education programs by persons under the supervision of the Commissioner.

(d) Curriculum. The education program shall offer a minimum course of study, as defined in 16 V.S.A. § 906, and special education programs ~~as required in 16 V.S.A. chapter 101 at each correctional facility and Department service center, but is not required to offer a driver training course or a physical educational course~~ in accordance with the program description used for independent school approval.

(e) [Repealed.]

(f) Reimbursement payments. The provision of 16 V.S.A. § 4012, relating to payment for State-placed students, shall not apply to the Corrections education program.

(g) [Repealed.]

(h) Required participation. All persons under the custody of the Commissioner who are under the age of 23 and have not received a high school diploma, or are assessed to have a moderate-to-high criminogenic need and are within 24 months of re-entry shall participate in an education program ~~unless exempted by the Commissioner~~. The Commissioner may approve the participation of other students, including individuals who are enrolled in an alternative justice or diversion program.

Sec. E.338 CALEDONIA COUNTY WORK CAMP; ELIGIBILITY

(a) The Department will seek to reach an agreement with the community in which:

(1) Department of Corrections continues to utilize the North Unit of the Caledonia County Work Camp (CCWC) for offenders who are work camp eligible under 28 V.S.A. § 817; and

(2) Department of Corrections achieves full utilization of the facility by assigning no more than 50 beds in the South Unit for offenders who:

(A) are classified as minimum custody as scored by the Department's custody level instrument;

(B) have completed their minimum sentence and are eligible for furlough or parole, but lack appropriate housing; and

(C) an offender who is serving time for a sex offense conviction shall not be deemed to satisfy the criteria set forth in this subdivision of this section unless the offender is a resident of St. Johnsbury.

(3) There are mutually acceptable resolutions to community concerns regarding:

(A) security cameras and fencing;

(B) the annual community facility hosting payment from the State; and

(C) the educational and training programs for inmates at the facility who will be re-entering the community. Such programs may include high school completion studies, ServSafe kitchen certification, lead abatement

training, OSHA certification and a partnership with the Agency of Transportation for a transportation academy.

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.

(b) The executive director shall provide a written report to Joint Fiscal Committee in November 2016 that provides information on the overall census, the call out rate, use of overtime for State employees, and the use of temporary employees and contractors for State fiscal year 2016 compared to fiscal year 2015 and a status update on these issues for fiscal year 2017 to date.

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 GREEN MOUNTAIN CARE BOARD; ALL PAYER MODEL AGREEMENT

(a) In the event that an agreement is reached with the federal government for an All Payer Model (APM) for the State of Vermont prior to the 2017 legislative session, the Emergency Board is authorized to transfer General Funds of up to $155,540 to the Green Mountain Care Board or Agency of Human Services. If sufficient matching funds are transferred, excess receipts of up to $247,585 in Global Commitment Funds and $63,665 in Special Funds can be authorized by the Commissioner of Finance for additional analysis and contracting necessary to create the additional regulatory infrastructure required to ensure consumer protection and to comply with the terms of the agreement. The amount of General Funds transferred shall be restored as needed in the budget adjustment process.

* * * LABOR * * *

Sec. E.400 [DELETED]

* * * 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

increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

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 $3,566,029 shall be used by the Agency of Education in fiscal year 2017 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 $192,805 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.504.1 Education – flexible pathways

(a) Of this appropriation, $4,000,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) $600,000 is available for dual enrollment programs consistent with 16 V.S.A. § 944(f)(2), and the amount of $30,000 is available for use pursuant to Sec. E.605.1(a)(2) of this act; and

(2) $100,000 is available to support the Vermont Virtual Learning Collaborative at the River Valley Regional Technical Center School District.

Sec. E.505 Education - adjusted education payment

(a) Of this appropriation, $15,000 shall be used to provide grants to K-12 public schools in the Caledonia Central Supervisory Union which are initiating programs through the International Baccalaureate program in an effort to maintain the viability of its educational programs and to enhance enrollment. Grants under this subsection may be made only for professional training and necessary materials.

Sec. E.513 16 V.S.A. § 4025(a)(2) is amended to read:

(2) For each fiscal year, the amount of the general funds appropriated ~~or~~ and transferred to the Education Fund shall be ~~$277,400,000.00~~ $305,900,000.00, to be increased annually beginning for fiscal year 2018 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~~ consensus Joint Fiscal Office and Administration determination of the National Income and Product Accounts (NIPA) Implicit Price Deflator for State and Local Government Consumption Expenditures and Gross Investment as reported by the U.S. Department of Commerce, Bureau of Economic Analysis through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.

Sec. E.513.1 Appropriation and transfer to education fund

(a) Pursuant to Sec. B.513 of this act and 16 V.S.A. § 4025(a)(2) as amended by Sec. E.513 of this act, there is appropriated in fiscal year 2017 from the General Fund for transfer to the Education Fund the amount of $305,902,634.

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 $82,659,576 of which $78,959,576 shall be the State's contribution and $3,700,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, $8,327,249 is the "normal contribution," and $74,332,327 is the "accrued liability contribution."

Sec. E.514.1 16 V.S.A. § 1944(c) is amended to read:

(c) State contributions, earnings, and payments.

* * *

(4) It is the policy of the State of Vermont to liquidate fully the unfunded accrued liability to the System. Beginning July 1, 2008, ~~Until~~ until the unfunded accrued liability is liquidated, the accrued liability contribution shall be the annual payment required to liquidate the unfunded accrued liability over a closed period of 30 years ending June 30, 2038, ~~from July 1, 2008~~, provided that:

(A) From July 1, 2009 to June 30, 2019, the amount of each annual basic accrued liability contribution ~~after June 30, 2009,~~ shall be determined by amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of five percent ~~greater than the preceding annual basic accrued liability contribution~~ per year.;

(B) Beginning July 1, 2019 and annually thereafter, the amount of each annual basic accrued liability contribution shall be determined by

amortization of the unfunded liability over the remainder of the closed 30-year period in installments increasing at a rate of three percent per year; and

(C) Any variation in the contribution of normal or unfunded accrued liability contributions from those recommended by the actuary and any actuarial gains and losses shall be added or subtracted to the unfunded accrued liability and amortized over the remainder of the closed 30-year period.

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), $22,022,584 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

* * * HIGHER EDUCATION * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.

(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.600.1 THREE YEAR SUSPENSION; UNIVERSITY OF VERMONT 40 PERCENT RULE

(a) 16 V.S.A. § 2282 (limit on tuition for Vermont students) is suspended for the three-academic-year period from 2017-2018 through 2019 -2020.

(b) The University of Vermont shall report to the House and Senate Committees on Appropriations and Education with its fiscal year 2018 budget submission on the planned in-state and out-of-state tuition charged for the fall

and spring semesters of the 2017/2018 academic year and the proposed tuitions for subsequent semesters through the Spring semester of 2020.

Sec. E.600.2 16 V.S.A. § 2885 is amended to read:

§ 2885. VERMONT HIGHER EDUCATION ENDOWMENT TRUST FUND

(a) A Vermont Higher Education Endowment Trust Fund is established in the ~~office~~ Office of the State Treasurer to comprise the following:

(1) appropriations made by the General Assembly;

(2) in any fiscal year in which a General Fund surplus exists and the General Fund Stabilization Reserve is funded to its required statutory level, funds raised by the estate tax levied under 32 V.S.A. chapter 190 that are more than ~~125~~ 115 percent of the amount projected by the Emergency Board in the July annual forecast made pursuant to 32 V.S.A. § 305a; and

(3) contributions from any other sources.

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Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(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.602.1 Vermont state colleges – supplemental aid

(a) Of this appropriation, $600,000 shall be used to increase aid and support to Vermont students with social and economic barriers to enrollment and completion. The Chancellor shall provide a written report to the Joint Fiscal Committee in November 2016 on how these funds are used for this purpose for the 2016-2017 school year and the plan to continue use of these funds for this purpose in future years.

Sec. E.603 Vermont state colleges – allied health

(a) 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.

(b) 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 or uninsured or underinsured persons, or both.

Sec. E.605 Vermont student assistance corporation

(a) 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.

(b) Of the appropriated amount remaining after accounting for subsections (a) and (d) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) 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.

(d) 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.

(e) The Vermont Student Assistance Corporation shall conduct a review of the Non-Degree Grant program utilizing the Results Based Accountability approach. This review shall be submitted to the House and Senate Committees on Appropriations as part of the Vermont Student Assistance Corporation fiscal year 2018 budget submission.

(f) Notwithstanding the provisions 2015 Acts and Resolves No. 45, Secs. 2-4, codified at subchapter 8 of chapter 87 of Title 16, the Vermont Student Assistance Corporation shall not be required to establish the Vermont Universal Children's Higher Education Savings Account Program until sustainable sources of annual funding have been identified and secured in amounts sufficient to provide meaningful initial and matching deposits for eligible families to open and make ongoing contributions to a children's savings account.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) The sum of $60,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:

(1) $30,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need-based stipend purposes).

(2) $30,000 pursuant to Sec. E.504.1(a)(1) (flexible pathways funds appropriated for dual enrollment and need-based stipend purposes).

(b) The sums transferred to VSAC in this section shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 4011(e) to be used for the purchase of books, cost of transportation, and payment of fees. VSAC 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.

(c) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2017.

* * * NATURAL RESOURCES * * *

Sec. E.701 32 V.S.A. § 3708 is amended to read:

§ 3708. PAYMENTS IN LIEU OF TAXES FOR LANDS HELD BY THE AGENCY OF NATURAL RESOURCES

(a) ~~All ANR land, excluding buildings or other improvements thereon, shall be appraised at fair market value by the Director of Property Valuation and Review and listed separately in the grand list of the town in which it is located. Annually, the State shall pay to each municipality an amount which is the lesser of:~~

~~(1) one percent of the Director's appraisal value for the current year for ANR land; or~~

~~(2) one percent of the current year use value of ANR land enrolled by the Agency of Natural Resources in the Use Value Appraisal Program under chapter 124 of this title before January 1999; except that no municipality shall receive in any taxable year a State payment in lieu of property taxes for ANR land in an amount less than it received in the fiscal year 1980.~~

~~(b) "ANR land" in this section means lands held by the Agency of Natural Resources.~~

~~(c) "Municipality" in this section means an incorporated city, town, village, or unorganized town, grant or gore in which a tax is assessed for noneducational purposes.~~

~~(d) "Fair market value" in this section shall be based upon the value of the land at its highest and best use determined without regard to federal conservation restrictions on the parcel or any conservation restrictions under a state agreement made with respect to the parcel.~~

~~(e) The Selectboard of a town aggrieved by the appraisal of property by the Division of Property Valuation and Review under this section may, within 21 days after the receipt by the town listers of notice of the appraisal of its~~

~~property by the Division of Property Valuation and Review, appeal from that appraisal to the Superior Court of the district in which the property is situated~~ As used in this subchapter:

(1) "ANR land" in this section means lands held by the Agency of Natural Resources.

(2) "Fair market value" in this section shall be based upon the value of the land at its highest and best use determined without regard to federal conservation restrictions on the parcel or any conservation restrictions under a State agreement made with respect to the parcel.

(3) "Municipality" in this section means an incorporated city, town, village, or unorganized town, grant, or gore in which a tax is assessed for noneducational purposes.

(b) The State shall annually pay to each municipality a payment in lieu of taxes (PILOT) that shall be the base payment as set forth herein, for all ANR land, excluding buildings or other improvements thereon, as of April 1 of the current year.

(c) The State shall establish the base payment for all ANR land, excluding buildings or other improvements thereon, as follows;

(1) On parcels acquired before April 1, 2016, 0.60 percent of the fair market value as appraised by the Director of Property Valuation and Review as of April 1 of fiscal year 2015;

(2) On parcels acquired after April 1, 2016, the municipal tax rate of the fair market value as assessed on April 1 in the year of acquisition by the municipality in which it is located.

(d) Beginning in fiscal year 2022, and thereafter in periods of no less than three years and no greater than five years, the Secretary of Natural Resources shall recommend an adjustment to update the base payments established under subsection (c) of this section consistent with the statewide municipal tax rate or other appropriate indicators. For years that the Secretary of Natural Resources recommends an adjustment under this subsection, a request for funding the adjustment shall be included as part of the budget report required under section 306 of this title.

(e) Any adjustment to the acreage of any existing ANR parcel will result in the change of the base payment for the year in which the change occurs. A per acre payment will be determined for the parcel. This per acre payment will be either added or subtracted from the base payment as necessary for the number of acres that need to be adjusted.

(f) The selectboard of a town aggrieved by the appraisal of property by the Division of Property Valuation and Review under subdivision (c)(1) of this section may, within 21 days after the receipt by the town listers of notice of the appraisal of its property by the Division of Property Valuation and Review in fiscal year 2017 only, appeal that appraisal to the Superior Court of the district in which the property is situated.

Sec. E.701.1 2015 Acts and Resolves No. 58, Sec. E.701.2 is amended to read:

Sec. E.701.2. PAYMENT IN LIEU OF TAXES FOR AGENCY OF NATURAL RESOURCES LANDS IN FISCAL YEARS 2017, ~~AND~~ 2018, 2019, 2020, and 2021

(a) Notwithstanding the requirements of 32 V.S.A. § 3708(c)(1) to the contrary, for purposes of payment in lieu of taxes (PILOT) for lands ~~held~~ acquired by the Agency of Natural Resources before April 1, 2016, the State shall pay to each municipality:

(1) in fiscal year 2017, the PILOT amount received by the municipality in fiscal year 2016 plus or minus ~~one-third~~ one-fourth of the difference between the PILOT amount the municipality received in fiscal year 2016 and the PILOT amount the municipality would receive under 32 V.S.A. ~~§ 3708, as amended by Sec. E.701.1 of this act~~ § 3708(c)(1); and~~;~~

(2) in fiscal year 2018, the PILOT amount received by the municipality in fiscal year 2016 plus or minus ~~two-thirds~~ one-half of the difference between the PILOT amount the municipality received in fiscal year 2016 and the PILOT amount the municipality would receive under 32 V.S.A. ~~§ 3708, as amended by Sec. E.701.1 of this act~~ § 3708(c)(1); and

(3) in fiscal year 2019, the PILOT amount received by the municipality in fiscal year 2016 plus or minus three-fourths of the difference between the PILOT amount the municipality received in fiscal year 2016 and the PILOT amount the municipality would receive under 32 V.S.A. § 3708(c)(1).

(b) If the Agency of Natural Resources acquires land in a municipality after April 1, ~~2015~~ 2016, the State shall make a PILOT payment on the newly acquired land to the municipality under ~~Sec. E.701 .1 of this act~~ 32 V.S.A. § 3708(c)(2), and the newly acquired land shall not be subject to this section.

(c) If the PILOT amount to be received by a municipality under 32 V.S.A. § 3708(c)(1), as of April 1, 2016, is:

(1) more than $25,000 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $3,000 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(2) between $25,000 and $20,000 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $2,500 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(3) between $19,999 and $15,000 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $2,000 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(4) between $14,999 and $10,000 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $1,500 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(5) between $9,999 and $7,500 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $1,000 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(6) between $7,499 and $5,000 less than that municipality's PILOT payment in fiscal year 2016, the municipality will receive an additional payment of $500 in fiscal years 2017, 2018, 2019, 2020, and 2021;

(7) more than $25,000 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $3,000 less in fiscal years 2017, 2018, 2019, 2020, and 2021;

(8) between $24,999 and $20,000 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $2,500 less in fiscal years 2017, 2018, 2019, 2020, and 2021;

(9) between $19,999 and $15,000 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $2,000 less in fiscal years 2017, 2018, 2019, 2020, and 2021;

(10) between $14,999 and $10,000 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $1,500 less in fiscal years 2017, 2018, 2019, 2020, and 2021;

(11) between $9,999 and $7,500 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $1,000 less in fiscal years 2017, 2018, 2019, 2020, and 2021;

(12) between $7,499 and $5,000 more than that municipality's PILOT payment in fiscal year 2016, the municipality will receive $500 less in fiscal years 2017, 2018, 2019, 2020, and 2021.

Sec. E.701.2 REPEAL

(a) 2015 Acts and Resolves No. 58, Sec. E.701.1 is repealed.

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).

Sec. E.709 AUTHORIZATION FOR EXPENDITURES AT ELIZABETH MINE SUPERFUND SITE

(a) Notwithstanding the $100,000 limitation on the expenditure of funds from the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283, the Secretary of Natural Resources may expend funds to accomplish activities authorized under 10 V.S.A. § 1283(b)(9) at the Elizabeth Mine Superfund Site.

Sec. E.709.1 AUTHORIZATION FOR EXPENDITURE RELATED TO PFOA DRINKING WATER CONTAMINATION

(a) Notwithstanding the $100,000 limitation on the expenditure of funds from the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283, the Secretary of Natural Resources may expend funds to accomplish activities authorized under 10 V.S.A. § 1283(b) to address PFOA drinking water contamination.

Sec. E.709.2 24 V.S.A. § 4753(a) is amended to read:

(a) There is hereby established a series of special funds to be known as:

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(5) The Vermont Drinking Water Planning Loan Fund which shall be used to provide loans to municipalities and privately owned, nonprofit community water systems, ~~with populations of less than 10,000,~~ for conducting feasibility studies and for the preparation of preliminary engineering planning studies and final engineering plans and specifications for improvements to public water systems in order to comply with State and federal standards and to protect public health. The Secretary may forgive up to $50,000.00 of the unpaid balance of a loan made from the Vermont Drinking Water Planning Loan Fund to municipalities after project construction is substantially completed. The Secretary shall establish amounts, eligibility, policies, and procedures for loan forgiveness in the annual State Intended Use Plan (IUP) with public review and comment prior to finalization and submission to the U.S. Environmental Protection Agency.

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Sec. E.712 AUTHORIZATION FOR EXPENDITURES; CONNECTICUT RIVER VALLEY FLOOD CONTROL COMMISSION

(a) Notwithstanding 10 V.S.A. § 1158, the Department of Environmental Conservation may make payment up to $2,500 in any one year to the Connecticut River Valley Flood Control Commission for the purposes set forth in 10 V.S.A. § 1158.

* * * COMMERCE AND COMMUNITY DEVELOPMENT * * *

Sec. E.800 ECONOMIC DEVELOPMENT; BENNINGTON COUNTY

(a) The Secretary shall have flexibility in awarding a grant of $25,000 to Bennington County for economic development and marketing efforts with the objective of providing maximum benefit to the region.

Sec. E.801 2014 Acts and Resolves No. 179, Sec. G.100(b), as amended by 2015 Acts and Resolves No. 51, Sec. G.9, is amended to read:

(b) Sec. E.100.6 (wood products manufacture incentive) shall take effect retroactively on January 1, 2014 and apply to tax years 2014, ~~and~~ 2015, and 2016.

Sec. E.804 Community development block grants

(a) Community Development Block Grants shall carry forward until expended.

Sec. E.807 VERMONT LIFE MAGAZINE DEFICIT AND OPERATIONAL REVIEW

(a) The Vermont Life Magazine Fund deficit was reported at $2,840,146 in the June 30, 2015 Comprehensive Annual Report. The deficit is projected to grow during the 2016 and 2017 fiscal years. The Secretary of Administration and the Secretary of Commerce and Community Development shall submit a joint review of Vermont Life, which will include other operational models and a plan relative to the magazine's future which will address the growing shortfall of the enterprise.

(b) If the proposal envisions a continued operating deficit, the Agency of Commerce and Community Development shall propose a plan to eliminate the operating deficit within two fiscal years.

(c) The operating deficit plan and any proposals shall be submitted to the House and Senate Committees on Appropriations as part of the fiscal year 2018 budget.

Sec. E.808 Vermont council on the arts

(a) Notwithstanding 2015 Acts and Resolves No. 26, Sec. 23, the Department of Buildings and General Services may continue to charge the Vermont Council on the Arts a below market rent provided that the Council continues to receive a federal match for value between the rent charged and the market rate.

(b) This provision shall take effect on passage and continue through June 30, 2019.

* * * TRANSPORTATION * * *

Sec. E.909 Transportation – central garage

(a) Of this appropriation, $7,390,351 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).

* * * EFFECTIVE DATES * * *

Sec. F.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (technical correction, PSAP, transition funding), C.101 (VIT surplus property), C.102 (fiscal year 2016 budget adjustment, AHS Secretary's office), C.103 (fiscal year 2016 budget adjustment, AHS-Secretary's office–Global Commitment), C.104 (fiscal year 2016 budget adjustment, AHS function total), C.105 (fiscal year 2016 budget adjustment, Education-adjusted education payment), C.106 (fiscal year 2016 budget adjustment, General Education function total), C.107 (fiscal year 2016 budget adjustment, Transportation, maintenance state system), C.108 (fiscal year 2016 budget adjustment, AOT function total), C.109 (fiscal year 2016 budget adjustment, General Fund transfers), C.110 (fiscal year 2016 General Fund reversions), C.111 (fiscal year 2016 contingent General Fund appropriations), C.112 (contingent Transportation Fund appropriations), C.113 (VSAC, reallocation of funds authorization), E.100(c) (Secretary of State, conversion of limited service position), E.106, E.108, E.108.1, E.108.2, and E.108.3 (transfer for payroll duties from the Department of Finance and Management to the Department of Human Resources), E.126.1 (legislative dental coverage, buy in), E.141 (Lottery Commission rulemaking authority, lottery product sales locations), E.300.7 (Vermont Law School, legal clinic support), E.308.1 (Choices for Care waiver, home delivered meals), E.311 (Health Department rulemaking clarification), E.701.2 (Repeal of 2015 Acts

and Resolves No. 58, Sec. E.701.1) E.709.1 (authorization for expenditure related to PFOA drinking water contamination), E.709.2 (removal of population cap on Vermont Drinking Water Planning Loan Fund), and E.808 (Vermont council on the arts) shall take effect on passage.

(b) Secs. E.126.3 (Speaker and President Pro Tempore compensation and expense reimbursement) and E.126.4 (General Assembly compensation and expense reimbursement) shall take effect on January 1, 2017.

(c) All remaining sections shall take effect on July 1, 2016.

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 pending the question, Shall the Senate propose to the House that the bill be amended as proposed by the Committee on Appropriations?, Senator Kitchel moved to amend the proposal of amendment of the Committee on Appropriations, as follows:

First: In Sec. B.301 by striking out the figure "325,048,779" and inserting in lieu thereof the figure 325,548,779 and by striking out the figure "27,530,657" and inserting in lieu thereof the figure 27,030,657

Second: By striking out Sec. B.326 in its entirety and inserting in lieu thereof a new Sec. B.326 to read as follows:

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	289,008
Operating expenses	53,816
Grants	9,357,176
Total	9,700,000
Source of funds	
Special funds	8,700,000
Federal funds	1,000,000
Total	9,700,000

Third: By striking out Sec. 330 in its entirety and inserting in lieu thereof a new Sec. B.330 to read as follows:

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	20,763,826
Total	20,763,826
Source of funds	

General fund	7, 928,440
Federal funds	6,992,730
Global Commitment fund	5,842,656
Total	20,763,826

Fourth: In Sec. C.110(a)(1) after the following "1260010000 State Treasurer 115,000.00" by adding a new line to read as follows:

3400891102 Agency of Human Services - replace legacy technology 1,900,000.00

Fifth: By striking out Sec. D.101(a)(5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) From the Evidence Based Education and Advertising Fund established by 33 V.S.A. § 2004a to the General Fund, notwithstanding any law to the contrary, the first $500,000 of any cigarette tax receipts above the amount adopted in the forecast within the State Health Care Resources Fund in January 2016 by the Emergency Board for fiscal year 2016 shall be deposited in the Evidence Based Education and Advertising Fund: $1,800,000.

Sixth: By striking out Sec. D.104(b)(1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) General Funds: $9,522,802.

Which were severally agreed to.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Appropriations, as amended?, Senator Ayer moved to amend the proposal of amendment of the Committee on Appropriations, as amended, by adding a new section to be numbered Sec. E.100.10 to read as follows:

Sec. E.100.10 UNIVERSAL PRIMARY CARE; REPORT

(a) Regardless of any future developments in payment and delivery system reform, Vermont is likely to continue to have uninsured or underinsured residents. As expanding access to primary care services is a proven method for improving population health, the General Assembly intends to move forward with implementation of universal primary care for all Vermonters.

(b) In order to determine a path forward toward implementing universal primary care in Vermont, the Secretary of Administration or designee shall:

(1) conduct a literature review of any savings realized by universal health care programs over time that are attributable to the availability of universal access to primary care; and

(2) analyze the primary care payment models created through the development of the all-payer model in order to enable legislators to estimate appropriate reimbursement amounts for health care providers delivering primary care services.

(c) The Secretary or designee shall provide a detailed implementation timeline for universal primary care, including the recommended timing for conducting cost analyses; developing financing options; projecting impacts on insurance markets, individuals, households, businesses, and others; and estimating one-time and ongoing administrative costs.

(d) On or before December 15, 2016, the Secretary or designee shall report the results of the universal primary care study required by subsection (b) of this section, and the timeline developed pursuant to subsection (c) of this section, to the Health Reform Oversight Committee, the Joint Fiscal Committee, 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.

Thereupon, pending the question, Shall the report of the Committee of Appropriations, as amended, be amended as proposed by Senator Ayer?, Senator Ayer requested and was granted leave to withdraw the proposal of amendment.

Thereupon, the question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Appropriations, as amended? was agreed to.

Thereupon, third reading of the bill was ordered.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock in the afternoon on Tuesday, April 26, 2016.

TUESDAY, APRIL 26, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Abigail Stockman of Barre.

Message from the House No. 57

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First 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. 66. An act relating to persons who are deaf, DeafBlind, or hard of hearing.

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 the following House bill:

H. 559. An act relating to an exemption from licensure for visiting team physicians.

And has severally concurred therein.

Bill Referred to Committee on Appropriations

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:

H. 620.

An act relating to health insurance and Medicaid coverage for contraceptives.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 95. An act relating to jurisdiction over delinquency proceedings by the Family Division of the Superior Court.

H. 610. An act relating to clarifying the Clean Water State Revolving Fund and Water Pollution Control Grant Programs.

H. 629. An act relating to a study committee to examine laws related to the administration and issuance of vital records.

Bills Passed in Concurrence

House bills of the following titles were severally read the third time and passed in concurrence:

H. 529. An act relating to State aid for school construction repayment obligations.

H. 805. An act relating to employment rights for members of the National Guard and Reserve Components of the U.S. Armed Forces.

Proposal of Amendment; Third Reading Ordered

H. 858.

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

An act relating to miscellaneous criminal procedure amendments.

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. § 2651(6) is amended to read;

(6) "Human trafficking" means:

* * *

(B) "severe form of trafficking" as defined by ~~21 U.S.C. § 7105~~ 22 U.S.C. § 7105.

* * *

Sec. 2. 13 V.S.A. § 5238 is amended to read:

§ 5238. CO-PAYMENT AND REIMBURSEMENT ORDERS

* * *

(d) To the extent that the Court finds that the eligible person has income or assets available to enable payment of an immediate co-payment, it shall order such a co-payment to cover in whole or in part the amount of the costs of representation to be borne by the eligible person. ~~When a co-payment is ordered, the assignment of counsel shall be contingent on prior payment of the co-payment.~~ The co-payment shall be paid to the clerk of the Court. Any portion of the co-payment not paid to the clerk may be included in a reimbursement order.

* * *

Sec. 3. 13 V.S.A. § 5301 is amended to read:

§ 5301. DEFINITIONS

As used in this chapter:

* * *

(7) ~~For the purpose of this chapter, "listed~~ "Listed crime" means any of the following offenses:

* * *

(W) operating vehicle under the influence of intoxicating liquor or other substance with either death or serious bodily injury resulting as defined in 23 V.S.A. § 1210~~(e)~~(f) and ~~(f)~~(g);

* * *

Sec. 4. 13 V.S.A. § 5411a is amended to read:

§ 5411a. ELECTRONIC POSTING OF THE SEX OFFENDER REGISTRY

(a) Notwithstanding 20 V.S.A. §§ 2056a-2056e, the Department shall electronically post information on the Internet in accordance with subsection (b) of this section regarding the following sex offenders, upon ~~their~~ the offender's release from confinement or, if the offender was not subject to confinement, upon the offender's conviction:

* * *

Sec. 5. 13 V.S.A. § 5572(a) is amended to read:

(a) A person convicted and imprisoned for a crime of which the person was exonerated pursuant to ~~subchapter 1 of~~ this chapter shall have a cause of action for damages against the ~~state~~ State.

Sec. 6. 13 V.S.A. § 5578 is added to read:

§ 5578. APPLICABILITY; RETROACTIVITY

Notwithstanding 1 V.S.A. § 214(b), this subchapter and any amendments thereto shall apply to any exoneration that occurs on or after July 1, 2007.

Sec. 7. 18 V.S.A. § 4230 is amended to read:

§ 4230. MARIJUANA

(a) Possession and cultivation.

* * *

(5) ~~Prior to accepting a plea of guilty or a plea of nolo contendere from a defendant charged with a violation of this subsection, the court shall address the defendant personally in open court, informing the defendant and determining that the defendant understands that admitting to facts sufficient to warrant a finding of guilt or pleading guilty or nolo contendere to the charge may have collateral consequences such as loss of education financial aid, suspension or revocation of professional licenses, and restricted access to public benefits such as housing.~~ If ~~the~~ a court fails to provide the defendant

with notice of collateral consequences in accordance with ~~this subdivision~~ 13 V.S.A. § 8005(b) and the defendant later at any time shows that the plea and conviction for a violation of this subsection may have or has had a negative consequence, the court, upon the defendant's motion, shall vacate the judgment and permit the defendant to withdraw the plea or admission and enter a plea of not guilty. Failure of the court to advise the defendant of a particular collateral consequence shall not support a motion to vacate.

* * *

Sec. 8. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE

During 2016 the Joint Legislative Justice Oversight Committee shall study:

(1) how a criminal defendant's credit for time served is determined with respect to time that the defendant was in Department of Corrections custody on nonincarcerative status or conditions of release; and

(2) when the name of an offender who has committed a qualifying offense is posted on the Internet Sex Offender Registry if the offender was in Department of Corrections custody on nonincarcerative status.

Sec. 9. 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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

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

S. 114.

House proposal of amendment to Senate bill entitled:

An act relating to the Open Meeting Law.

Was taken up.

The House proposes to the Senate to amend the bill in Sec. 1, in 1 V.S.A. § 312(b)(2), in the second sentence (related to the posting of minutes), by striking out "five calendar days" and inserting in lieu thereof the following: "~~five~~ seven calendar days"

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.

House Proposal of Amendment; Senate Bill Recommitted

S. 116.

House proposal of amendment to Senate bill entitled:

An act relating to rights of offenders in the custody of the Department of Corrections.

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. 28 V.S.A. § 456 is added to read:

§ 456. PAROLE BOARD INDEPENDENCE

(a) The Parole Board shall be an independent and impartial body.

(b) In a pending parole revocation hearing, the Parole Board shall not be counseled by:

(1) assistant attorneys general; and

(2) any attorney employed by the Department of Corrections.

(c) If any attorney employed by the Department of Corrections or an assistant attorney general or the direct supervisor of an assistant attorney general who represents the Department of Corrections in parole revocation hearings provides training to the Parole Board members on the subject of parole revocation hearings, the Defender General shall be notified prior to the training and given the opportunity to participate.

Sec. 2. 28 V.S.A. § 857 is added to read:

§ 857. ADMINISTRATIVE SEGREGATION; PROCEDURAL REQUIREMENTS

(a) Except in emergency circumstances as described in subsection (b) of this section, before an inmate is placed in administrative segregation, regardless of whether that inmate has been designated as having a serious functional impairment under section 906 of this title, the inmate is entitled to a hearing pursuant to subsection 852(b) of this title.

(b) In the event of an emergency situation and at the discretion of the Commissioner, an inmate may be placed in administrative segregation prior to receiving a hearing as described in subsection 852(b) of this title.

Sec. 3. 28 V.S.A. § 204 is amended to read:

§ 204. SUBMISSION OF WRITTEN REPORT; PROTECTION OF RECORDS

(a) A court, before which a person is being prosecuted for any crime, may in its discretion order the Commissioner to submit a written report as to the circumstances of the alleged offense and the character and previous criminal history record of the person, with recommendation. If the presentence investigation report is being prepared in connection with a person's conviction for a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3, the Commissioner shall obtain information pertaining to the person's juvenile record, if any, in accordance with 33 V.S.A. §§ 5117 and 5119(f)(6), and any deferred sentences received for a registrable sex offense in accordance with 13 V.S.A. § 7041(h), and include such information in the presentence investigation report.

* * *

(d)(1) ~~Any~~ Except as provided in subdivision (2) of this subsection, any presentence investigation report~~, pre-parole report, or supervision history~~ or parole summary prepared by any employee of the Department in the discharge of the employee's official duty, except as provided in subdivision 204a(b)(5) and section 205 of this title, is confidential and shall not be disclosed to anyone outside the Department other than the judge or the Parole Board~~, except that:~~.

(2)(A) ~~the~~ The court or Board ~~may in its discretion~~ shall permit ~~the~~ inspection of the presentence investigation report~~, or parts thereof~~ or parole summary, redacted of information that may compromise the safety or confidentiality of any person, by the State's Attorney~~,~~ and by the defendant or inmate~~,~~ or his or her attorney~~, or~~; and

(B) the court or Board may, in its discretion, permit the inspection of the presentence investigation report or parole summary or parts thereof by other persons having a proper interest therein, whenever the best interest or welfare of the defendant or inmate makes that action desirable or helpful. ~~Nothing in this section shall prohibit the Department for Children and Families from accessing the supervision history of probationers or parolees for the purpose of child protection.~~

(e) The presentence investigation report ordered by the court under this section or section 204a of this title shall include the comments or written statement of the victim, or the victim's guardian or next of kin if the victim is incompetent or deceased, whenever the victim or the victim's guardian or next of kin choose to submit comments or a written statement.

* * *

Sec. 4. 28 V.S.A. § 601 is amended to read:

§ 601. POWERS AND RESPONSIBILITIES OF THE SUPERVISING OFFICER OF EACH CORRECTIONAL FACILITY

The supervising officer of each facility shall be responsible for the efficient and humane maintenance and operation and for the security of the facility, subject to the supervisory authority conferred by law upon the Commissioner. Each supervising officer is charged with the following powers and responsibilities:

* * *

(10) To establish and maintain, in accordance with such rules and regulations as are established by the Commissioner, ~~a central file at the facility containing an individual file~~ records for each inmate. ~~Except as otherwise may be indicated by the rules and regulations of the Department, the content of the file of an inmate shall be confidential and shall not be subject to public inspection except by court order for good cause shown and shall not be accessible to inmates at the facility. Except as otherwise provided by law, the contents of an inmate's file may be inspected, pursuant to a court order issued ex parte, by a state or federal prosecutor as part of a criminal investigation if the court finds that the records may be relevant to the investigation. The information in the files may be used for any lawful purpose but shall not otherwise be made public.~~

Sec. 5. 28 V.S.A. § 107 is added to read:

§ 107. OFFENDER AND INMATE RECORDS; CONFIDENTIALITY; EXCEPTIONS; CORRECTIONS

(a) The Commissioner shall adopt a rule pursuant to 3 V.S.A. chapter 25 defining what are "offender and inmate records," as that phrase is used in this section.

(b) Offender and inmate records maintained by the Department are exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the Department:

(1) Shall release or permit inspection of such records if required under federal or State law, including 42 U.S.C. §§ 10805 and 10806 (Protection and Advocacy Systems).

(2) Shall release or permit inspection of such records pursuant to a court order for good cause shown or, in the case of an offender or inmate seeking records relating to him or her in litigation, in accordance with discovery rules.

(3) Shall release or permit inspection of such records to a State or federal prosecutor as part of a criminal investigation pursuant to a court order issued ex parte if the court finds that the records may be relevant to the investigation. The information in the records may be used for any lawful purpose but shall not otherwise be made public.

(4) Shall release or permit inspection of such records to the Department for Children and Families for the purpose of child protection, unless otherwise prohibited by law.

(5) Shall release or permit inspection of designated offender and inmate records to specific persons, or to any person, in accordance with rules that the Commissioner shall adopt pursuant to 3 V.S.A. chapter 25. The Commissioner shall authorize release or inspection of offender and inmate records under these rules:

(A) When the public interest served by disclosure of a record outweighs the privacy, security, or other interest in keeping the record confidential.

(B) To provide an offender or inmate access to records relating to him or her if access is not otherwise guaranteed under this subsection, unless providing such access would reveal information that is confidential or exempt from disclosure under a law other than this section, would unreasonably interfere with the Department's ability to perform its functions, or would unreasonably jeopardize the health, safety, security, or rehabilitation of the offender or inmate or of another person. The rules may specify circumstances under which the Department may limit the number of requests that will be fulfilled per calendar year, as long as the Department fulfills at least one request per calendar year excluding any release of records ordered by a court, and at least one additional request in the same calendar year limited to records not in existence at the time of the original request or not within the scope of the original request. The rules also may specify circumstances when the offender's or inmate's right of access will be limited to an inspection overseen by an agent or employee of the Department. The rules shall reflect the Department's obligation not to withhold a record in its entirety on the basis that it contains some confidential or exempt content, to redact such content, and to make the redacted record available.

(c) Notwithstanding the provisions of 1 V.S.A. chapter 5, subchapter 3 (Public Records Act) that govern the time periods for a public agency to respond to a request for a public record and rights of appeal, the Commissioner shall adopt a rule pursuant to 3 V.S.A. chapter 25 governing response and appeal periods and appeal rights in connection with a request by an offender or inmate to access records relating to him or her maintained by the Department.

The rule shall provide for a final exhaustion of administrative appeals no later than 45 days from the Department's receipt of the initial request.

(d) An offender or inmate may request that the Department correct a fact in a record maintained by the Department that is material to his or her rights or status, except for a determination of fact that resulted from a hearing or other proceeding that afforded the offender or inmate notice and opportunity to be heard on the determination. The rule required under subsection (c) of this section shall reference that requests for such corrections are handled in accordance with the Department's grievance process. If the Department issues a final decision denying a request under this subsection, the offender or inmate may appeal the decision to the Civil Division of the Superior Court pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The Court shall not set aside the Department's decision unless it is clearly erroneous.

Sec. 6. 13 V.S.A. § 5233 is amended to read:

§ 5233. EXTENT OF SERVICES

(a) A needy person who is entitled to be represented by an attorney under section 5231 of this title is entitled:

* * *

(3) To be represented in any other postconviction proceeding which may have more than a minimal effect on the length or conditions of detention where the attorney considers:

(A) the claims, defenses, and other legal contentions to be warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law; and

(B) the allegations and other factual contentions to have evidentiary support, or likely to have evidentiary support after a reasonable opportunity for further investigation and discovery.

* * *

Sec. 7. EFFECTIVE DATE; TRANSITION PROVISION

(a) This act shall take effect on passage.

(b) Except as provided in subsection (c) of this section, the Commissioner of Corrections may only release or permit inspection of offender or inmate records in reliance upon an exception to the confidentiality of offender and inmate records if the exception is created by law, including an exception created by rule adopted in accordance with the Administrative Procedure Act under the mandate in Sec. 5, 28 V.S.A. § 107(b)(5).

(c) The Department of Corrections may rely upon exceptions to the confidentiality of offender and inmate files under directives adopted by the Department prior to the effective date of this act until the Commissioner adopts rules pursuant to the rulemaking mandates of Sec. 5, 28 V.S.A. § 107(a) and (b)(5). On or before September 1, 2016, the Commissioner shall prefile rules with the Interagency Committee on Administrative Rules in accordance with these mandates. The Commissioner shall update the Joint Legislative Justice Oversight Committee on the status of its efforts to adopt the rules at the Oversight Committee's first meeting on or after September 1, 2016.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Flory, the bill was recommitted to the Committee on Institutions.

House Proposal of Amendment; Senate Bill Recommitted

S. 225.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous changes to laws related to motor vehicles.

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:

* * * Dealers * * *

Sec. 1. 23 V.S.A. § 4(8)(A)(ii)(III) is amended to read:

(III) For a dealer in trailers, semi-trailers, or trailer coaches, "engaged in the business" means having sold or exchanged at least one trailer, semi-trailer, or trailer coach in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years. However, the sale or exchange of a trailer with a gross vehicle weight rating of 3,500 pounds or less shall be excluded under this subdivision (8)(A)(ii)(III).

Sec. 2. DEALER REGULATION REVIEW

(a) The Commissioner of Motor Vehicles shall review Vermont statutes, rules, and procedures regulating motor vehicle, snowmobile, motorboat, and all-terrain vehicle dealers, and review the regulation of such dealers by other states, to determine whether and how Vermont's regulation of dealers and associated motor vehicle laws should be amended to:

(1) enable vehicle and motorboat sales to thrive while protecting consumers from fraud or other illegal activities in the market for vehicles and motorboats; and

(2) protect the State's interest in collecting taxes, enforcing the law, and ensuring an orderly marketplace.

(b) In conducting his or her review, the Commissioner shall consult with new and used vehicle dealers or representatives of such dealers, or both, and other interested persons.

(c) The Commissioner shall review:

(1) required minimum hours and days of operation of dealers;

(2) physical location requirements of dealers;

(3) the required number of sales to qualify as a dealer and the types of sales and relationships among sellers that should count toward the sales threshold;

(4) the permitted uses of dealer plates;

(5) whether residents of other states should be allowed to register vehicles in Vermont;

(6) the effect any proposed change will have on fees and taxes that dealers collect and consumers pay;

(7) the effect any proposed changes will have on the ability of Vermont consumers and law enforcement to obtain information from a dealer selling vehicles or motorboats in Vermont; and

(8) other issues as may be necessary to accomplish the purpose of the review as described in subsection (a) of this section.

(d) On or before January 15, 2017, the Commissioner shall report his or her findings and recommendations to the Senate and House Committees on Transportation and submit proposed legislation as may be required to implement the recommendations.

* * * Motor-Assisted Bicycles * * *

Sec. 3. 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:

* * *

(45)(A) "Motor-driven cycle" means any vehicle equipped with two or three wheels, a power source providing up to a maximum of two brake

horsepower and having a maximum piston or rotor displacement of 50 cubic centimeters if a combustion engine is used, which will propel the vehicle, unassisted, at a speed not to exceed 30 miles per hour on a level road surface, and which is equipped with a power drive system that functions directly or automatically only, not requiring clutching or shifting by the operator after the drive system is engaged. As motor vehicles, motor-driven cycles shall be subject to the purchase and use tax imposed under 32 V.S.A. chapter 219 rather than to a general sales tax. ~~An~~ Neither an electric personal assistive mobility device nor a motor-assisted bicycle is ~~not~~ a motor-driven cycle.

(B)(i) "Motor-assisted bicycle" means any bicycle or tricycle with fully operable pedals and equipped with a motor that:

(I) has a power output of not more than 1,000 watts or 1.3 horsepower; and

(II) in itself is capable of producing a top speed of no more than 20 miles per hour on a paved level surface when ridden by an operator who weighs 170 pounds.

(ii) Motor-assisted bicycles shall be regulated in accordance with section 1136 of this title.

* * *

Sec. 4. 23 V.S.A. § 1136(d) is added to read:

(d)(1) Except as provided in this subsection, motor-assisted bicycles shall be governed as bicycles under Vermont law, and operators of motor-assisted bicycles shall be subject to all of the rights and duties applicable to bicyclists under Vermont law. Motor-assisted bicycles and their operators shall be exempt from motor vehicle registration and inspection and operator's license requirements. A person shall not operate a motor-assisted bicycle on a sidewalk in Vermont.

(2) A person under 16 years of age shall not operate a motor-assisted bicycle on a highway in Vermont.

(3) Nothing in this subsection shall interfere with the right of municipalities to regulate the operation and use of motor-assisted bicycles pursuant to 24 V.S.A. § 2291(1) and (4), as long as the regulations do not conflict with this subsection.

* * * Nondriver Identifications Cards; Data Elements * * *

Sec. 5. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

* * *

(b) 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~~ $24.00 fee. At least 30 days before an identification card will expire, the Commissioner shall mail first class to the cardholder or send the cardholder electronically an application to renew the identification card; a cardholder shall be sent the renewal notice by mail unless the cardholder opts in to receive electronic notification.

* * *

(i) An identification card issued under this subsection to an ~~individual under the age of 30 shall include a magnetic strip that includes only the name, date of birth, height, and weight of the individual identified on the card~~ initial or renewal applicant shall include data elements as prescribed in 6 C.F.R. § 37.19.

* * *

* * * Refund When Registration Plates Not Used * * *

Sec. 6. 23 V.S.A. § 327 is amended to read:

§ 327. REFUND WHEN PLATES NOT USED

Subject to the conditions set forth in subdivisions (1), (2), and (3) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or motor boat when the owner returns the number plates, if any, ~~the validation sticker, if issued for that year,~~ and the registration certificate to the Commissioner. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:

(1) For registrations ~~which are~~ cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a fee of $5.00. ~~The validation stickers may be affixed to the plates.~~

(2) For registrations ~~which are~~ cancelled within 30 days of the date of issue, the refund is the full amount of the fee paid, less a charge of $5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that the number plates have not been used or attached to a motor vehicle~~, or that the current validation sticker has not been affixed to the plate or to the snowmobile or motorboat~~.

(3) For registrations ~~which are~~ cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of $5.00. ~~The validation stickers may be affixed to the plates.~~

* * * Exhibition Vehicles; Year of Manufacture Plates * * *

Sec. 7. 23 V.S.A. § 373 is amended to read:

§ 373. EXHIBITION VEHICLES; YEAR OF MANUFACTURE PLATES

(a) The annual fee for the registration of a motor vehicle which is maintained solely for use in exhibitions, club activities, parades, and other functions of public interest and which is not used for the transportation of passengers or property on any highway, except to attend such functions, shall be ~~$15.00~~ $21.00, in lieu of fees otherwise provided by law.

(b) Pursuant to the provisions of section 304 of this title, one registration plate shall be issued to those vehicles registered under subsection (a) of this section.

(c) ~~The~~ Vermont registration plates ~~of any motor vehicle~~ issued prior to ~~1939~~ 1968 may be displayed on a motor vehicle registered under this section instead of the ~~plates~~ plate issued under this section, if the ~~current plates are~~ issued plate is maintained within the vehicle and produced upon request of any enforcement officer as defined in subdivision 4(11) of this title.

* * * Provisions Common to Registrations and Operator's Licenses * * *

Sec. 8. 23 V.S.A. § 208 is added to read:

§ 208. RECIPROCAL RECOGNITION OF NONRESIDENT REGISTRATIONS, LICENSES, AND PERMITS; FOREIGN VISITORS

As determined by the Commissioner, and consistent with section 601 of this title, 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 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. However, these exemptions shall be operative only to the extent that under the laws of the foreign country or state of the owner's or operator's residence like exemptions and privileges are granted to owners of motor vehicles duly registered and to operators duly licensed or permitted under the laws of this State, except that if the owner or operator is a resident of a country not adjoining the United States, the exemptions shall be operative for a period of not more than 30 days for vacation purposes even if the country does not grant like privileges to residents of this State.

Sec. 9. 23 V.S.A. § 411 is amended to read:

§ 411. ~~RECIPROCAL PROVISIONS~~

~~As determined by the 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 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 or her 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. 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.~~ [Repealed.]

* * * Operator's Licenses * * *

Sec. 10. 23 V.S.A. § 601 is amended to read:

§ 601. LICENSE REQUIRED

(a)(1) 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 and who holds a valid license to operate motor vehicles under section ~~411~~ 208 of this title shall procure a Vermont license within 60 days of moving to the State. 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 operates for a period of not more than 30 days for vacation purposes; or

(C) 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.

* * *

(c) At least 30 days before a license is scheduled to expire, the Commissioner shall mail first class to the licensee or send the licensee electronically an application for renewal of the license; a cardholder shall be sent the renewal notice by mail unless the cardholder opts in to receive electronic notification. A person shall not operate a motor vehicle unless properly licensed.

* * *

Sec. 11. CONFORMING CHANGES

In 23 V.S.A. §§ 614 and 615, "section 411" is hereby replaced with "section 208."

* * * Special Examinations; Conforming Changes * * *

Sec. 12. 23 V.S.A. § 637 is amended to read:

§ 637. EXAMINERS OF PHYSICAL AND MENTAL CONDITIONS

The Commissioner may designate physicians, certified physician assistants, licensed advance practice registered nurses, ophthalmologists, oculists, and optometrists properly registered and authorized to practice in this State or in an adjoining state as examiners of operators. The Commissioner may refer any matter relative to the issuing, suspending, or reinstating of licenses ~~which concern~~ that concerns the physical or mental condition or eyesight of any applicant for or holder of a license or any petitioner for reinstatement to, and require the applicant or other person to be examined by, such examiner in the vicinity of the person's residence as he or she determines to be qualified to examine and report. Such examiner shall report to the Commissioner the true and actual result of examinations made by him or her together with his or her decision as to whether the person examined should be granted or allowed to retain an operator's license or permitted to operate a motor vehicle.

Sec. 13. 23 V.S.A. § 638 is amended to read:

§ 638. ~~DISSATISFACTION WITH PHYSICAL AND MENTALEXAMINATION~~

~~If any person is dissatisfied with the result of an examination given by any one examiner, as provided in section 637 of this title, he or she may apply to the Commissioner for and shall be granted an examination by two physicians, ophthalmologists, oculists, or optometrists selected from a list of examiners approved by the Commissioner, and their decision shall be final. The Commissioner may designate the area of specialization from which the examiners are to be selected in each case, but in no event shall he or she limit the choice of an examiner to any one individual within the profession from which he or she is to be chosen.~~ [Repealed.]

Sec. 14. 23 V.S.A. § 639 is amended to read:

§ 639. FEES FOR PHYSICAL AND MENTAL EXAMINATIONS

The compensation of the examiners provided in ~~sections~~ section 637 ~~and 638~~ of this title shall be paid by the person examined.

* * * State Highway Restrictions and Chain Up Requirements * * *

Sec. 15. 23 V.S.A. § 1006b is amended to read:

§ 1006b. ~~SMUGGLERS~~ SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT ROUTE 108; COMMERCIAL VEHICLE OPERATION PROHIBITED

(a) The Agency of Transportation may close the ~~Smugglers~~ Smugglers' Notch segment of Vermont Route 108 during periods of winter weather. ~~To enforce the winter closure, the Agency shall erect signs conforming to the standards established by section 1025 of this title.~~

(b)(1) As used in this subsection, "commercial vehicle" means truck-tractor-semitrailer combinations and truck-tractor-trailer combinations.

(2) Commercial vehicles are prohibited from operating on the Smugglers' Notch segment of Vermont Route 108.

(3) Either the operator of a commercial vehicle who violates this subsection, or the operator's employer, shall be subject to a civil penalty of $1,000.00. If the violation results in substantially impeding the flow of traffic on Vermont Route 108, the penalty shall be $2,000.00. For a second or subsequent conviction within a three-year period, the penalty shall be doubled.

(c) The Agency shall erect signs conforming to the standards established by section 1025 of this title to indicate the closures and restrictions authorized under this section.

Sec. 16. 23 V.S.A. § 1006c is amended to read:

§ 1006c. ~~TRUCKS AND BUSES; CHAINS AND TIRE~~ CHAIN REQUIREMENTS FOR VEHICLES WITH WEIGHT RATINGS OF MORE THAN 26,000 POUNDS

(a) As used in this section, "chains" means link chains, cable chains, or another device that attaches to a vehicle's tire or wheel or to the vehicle itself and is designed to augment the traction of the vehicle under conditions of snow or ice.

(b) The ~~Traffic Committee~~ Secretary of Transportation, the Commissioner of Motor Vehicles, or the Commissioner of Public Safety, or their designees, may require the use of tire chains ~~or winter tires~~ on specified portions of State highways during periods of winter weather for ~~motor coaches, truck-tractor-semitrailer combinations, and truck-tractor-trailer combinations~~ vehicles with a gross vehicle weight rating (GVWR) of more than 26,000 pounds or gross combination weight rating (GCWR) of more than 26,000 pounds.

~~(b)~~(c) When tire chains ~~or winter tires~~ are required, advance notice shall be given to the traveling public through signage and, whenever possible, through public service announcements. In areas where tire chains ~~or winter tires~~ are required, there shall be an adequate area for vehicles to pull off the traveled way to affix any chains that might be required.

~~(c)~~(d) Under 3 V.S.A. chapter 25, the Traffic Committee may adopt such rules as are necessary to administer this section and may delegate this authority to the Secretary.

(e) When signs are posted and chains required in accordance with this section, chains shall be affixed as follows on vehicles with a GVWR or a GCWR of more than 26,000 pounds:

(1) Solo vehicles. A vehicle not towing another vehicle:

(A) that has a single-drive axle shall have chains on one tire on each side of the drive axle; or

(B) that has a tandem-drive axle shall have chains on:

(i) two tires on each side of the primary drive axle; or

(ii) if both axles are powered by the drive line, on one tire on each side of each drive axle.

(2) Vehicles with semitrailers or trailers. A vehicle towing one or more semitrailers or trailers:

(A) that has a single-drive axle towing a trailer shall have chains on two tires on each side of the drive axle and one tire on the front axle and one tire on one of the rear axles of the trailer;

(B) that has a single-drive axle towing a semitrailer shall have chains on two tires on each side of the drive axle and two tires, one on each side, of any axle of the semitrailer;

(C) that has a tandem-drive axle towing a trailer shall have:

(i) chains on two tires on each side of the primary drive axle, or if both axles of the vehicle are powered by the drive line, one tire on each side of each drive axle; and

(ii) chains on one tire of the front axle and one tire on one of the rear axles of the trailer;

(D) that has a tandem-drive axle towing a semitrailer shall have:

(i) chains on two tires on each side of the primary drive axle, or if both axles of the vehicle are powered by the drive line, one tire on each side of each drive axle; and

(ii) chains on two tires, one on each side, of any axle of the semitrailer.

(f) Either the operator of a vehicle required to be chained under this section who fails to affix chains as required herein, or the operator's employer, shall be subject to a civil penalty of $1,000.00. If the violation results in substantially impeding the flow of traffic on a highway, the penalty shall be $2,000.00. For a second or subsequent conviction within a three-year period, the penalty shall be doubled.

Sec. 17. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, "traffic violation" means:

* * *

(11) a violation of subsection 1006b(b), section 1006c, or subsections 4120(a) and (b) of this title; or

* * *

* * * School Bus Operators * * *

Sec. 18. 23 V.S.A. § 1282(d) is amended to read:

(d)(1) ~~A~~ No less often than every two years, and before the start of a school year, a person licensed by the Department of Motor Vehicles to assume the

duty of transporting school pupils in either a Type I or Type II school bus shall ~~annually before the commencement of the school year~~ furnish ~~his or her~~ the employer~~, where he or she is employed~~ who employs him or her as a school bus driver~~,~~ the following:

(A) a certificate signed by a licensed physician, ~~or~~ a certified physician assistant, or a nurse practitioner in accordance with written protocols, certifying that ~~he or she~~ the licensee is, as far as can be determined by reasonable inquiry and examination, mentally and physically competent to perform his or her duties~~,~~ and that he or she meets or exceeds the minimum hearing standards, based on voice testing, as prescribed by the Commissioner; and

(B) a certificate signed by a properly registered and authorized medical doctor, ophthalmologist, optometrist, or nurse practitioner certifying that he or she meets or exceeds the minimum vision standards as prescribed by the Commissioner.

(2) Upon receipt of a certificate required by this subsection which indicates that the school bus driver is not mentally or physically competent or does not meet the minimum hearing or vision standards, the employer shall immediately notify the Commissioner.

(3) The certificates required under this subsection may be valid for up to two years from the examination.

* * * Overweight and Overdimension Vehicles * * *

Sec. 19. 23 V.S.A. § 1391a(d) is amended to read:

(d) Fines imposed for violations of this section shall be deposited in the Transportation Fund, unless the fines are the result of enforcement actions on a town highway by an enforcement officer employed by or under contract with the municipality, in which case the fine shall be paid to the municipality, except for ~~a $6.00~~ an administrative charge for each case in the amount specified in 13 V.S.A. § 7251, which shall be retained by the State.

Sec. 20. 23 V.S.A. § 1400(d) is amended to read:

(d) ~~The Commissioner may enter into contracts with an electronic permitting service that will allow the service to issue single trip permits to a commercial motor vehicle operator, on behalf of the Department of Motor Vehicles. The permitting service shall be authorized to issue single trip permits for travel to and from a Vermont facility by commercial motor vehicles which are not greater than 72 feet in length on routes that have been approved by the Agency of Transportation. The permitting service may assess, collect, and retain an additional administrative fee which shall be paid by the commercial motor vehicle carrier.~~ [Repealed.]

* * * Motor Vehicle Titles * * *

Sec. 21. 23 V.S.A. § 2001 is amended to read:

§ 2001. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

* * *

(13) "Salvaged motor vehicle" means a motor vehicle which has been purchased or otherwise acquired as salvage; scrapped, dismantled, or destroyed~~,~~; or declared a total loss by an insurance company.

* * *

(17) "Salvage certificate of title" means a title that is stamped or otherwise branded to indicate that the vehicle described thereon is a salvaged motor vehicle ~~or has been scrapped, dismantled, destroyed, or declared a total loss by an insurance company, or both~~.

* * *

Sec. 22. 23 V.S.A. § 2019 is amended to read:

§ 2019. MAILING OR DELIVERING CERTIFICATE

The certificate of title shall be mailed or personally delivered, upon proper identification of the individual, to the first lienholder named in it or, if none, to the owner. However, a person is entitled to a personal delivery of only one title in a single day and of no more than three titles in a calendar month.

Sec. 23. 23 V.S.A. § 2091 is amended to read:

§ 2091. ~~DISMANTLING OR DESTRUCTION OF VEHICLE~~ SALVAGE CERTIFICATES OF TITLE; FORWARDING OF PLATES AND TITLES OF CRUSHED VEHICLES

(a) Except for vehicles for which no certificate of title is required pursuant to section 2012 of this title and for vehicles which are more than 15 years old, any person who purchases or in any manner acquires a vehicle as salvage; any person who scraps, dismantles, or destroys a motor vehicle~~,~~; or any insurance company or representative thereof who declares a motor vehicle to be a total loss, shall ~~make application~~ apply to the Commissioner for a salvage certificate of title within 15 days of the time the vehicle is purchased or otherwise acquired as salvage~~,~~; is scrapped, dismantled, or destroyed~~,~~; or is declared a total loss. However, an insurance company or representative thereof proceeding under subsection (c) of this section may apply outside this 15-day window to the extent necessary to comply with the requirements of that subsection.

(b) ~~The~~ Except as provided in subsection (c) of this section, the application shall be accompanied by:

(1) any certificate of title; and

(2) any other information or documents that the Commissioner may reasonably require to establish ownership of the vehicle and the existence or nonexistence of any security interest in the vehicle.

(c)(1) An insurer required to obtain a salvage certificate of title under this section for a vehicle declared a total loss, or a representative of the insurer, may obtain the title without satisfying the requirements of subsection (b) of this section if the application for the salvage certificate of title is accompanied by:

(A) the required fee;

(B) evidence that the insurer has made payment for the total loss of the vehicle, and evidence that the payment was made to any lienholder identified in the records of certificates of title of the Department and to the vehicle owner, if applicable; and

(C) a copy of the insurer's written request for the certificate of title sent at least 30 days prior to the application to the vehicle owner and to any lienholder identified in the records of certificates of title of the Department, proof that the request was sent by certified mail or was delivered by a courier service that provides proof of delivery, and copies of any responses from the vehicle owner or lienholder.

(2) If the Commissioner issues a salvage certificate of title to an eligible person under this subsection, the title shall be issued free and clear of all liens.

~~(b)~~(d) ~~When~~ Except for vehicles for which no certificate of title is required under this chapter, when a vehicle is destroyed by crushing for scrap, the person causing the destruction shall immediately mail or deliver to the Commissioner the certificate of title~~, if any,~~ endorsed "crushed" and signed by the person, accompanied by the original plate showing the original vehicle identification number. The plate shall not be removed until such time as the vehicle is crushed.

~~(c)~~(e) This section shall not apply to, and salvage certificates of title shall not be required for, unrecovered stolen vehicles or vehicles stolen and recovered in an undamaged condition, provided that the original vehicle identification number plate has not been removed, altered, or destroyed and the number thereon is identical with that on the original title certificate.

* * * Abandoned Motor Vehicles * * *

Sec. 24. 23 V.S.A. chapter 21, subchapter 7 is amended to read:

Subchapter 7. Abandoned Motor Vehicles

§ 2151. ~~ABANDONED MOTOR VEHICLES; DEFINED~~ DEFINITIONS

~~(a)(1) For the purposes of~~ As used in this subchapter~~, an "abandoned motor vehicle" means~~:

(1)(A) "Abandoned motor vehicle" means:

(i) a motor vehicle that has remained on public or private property or on or along a highway for more than 48 hours without the consent of the owner or person in control of the property ~~for more than 48 hours~~, and has a valid registration plate or public vehicle identification number which has not been removed, destroyed, or altered; or

~~(B)~~(ii) a motor vehicle that has remained on public or private property or on or along a highway without the consent of the owner or person in control of the property for any period of time if the vehicle does not have a valid registration plate or the public vehicle identification number has been removed, destroyed, or altered.

(B) "Abandoned motor vehicle" does not include a vehicle or other equipment used or to be used in construction or in the operation or maintenance of highways or public utility facilities, which is left in a manner which does not interfere with the normal movement of traffic.

(2) "Landowner" means a person who owns or leases or otherwise has authority to control use of real property.

(3) ~~For purposes of this subsection, "public~~ "Public vehicle identification number" means the public vehicle identification number which is usually visible through the windshield and attached to the driver's side of the dashboard, instrument panel, or windshield pillar post or on the doorjamb on the driver's side of the vehicle.

~~(b) Construction equipment. A vehicle or other equipment used or to be used in construction or in the operation or maintenance of highways or public utility facilities, which is left in a manner which does not interfere with the normal movement of traffic, shall not be considered to be an abandoned motor vehicle.~~

§ 2152. AUTHORIZED REMOVAL OF ABANDONED MOTOR VEHICLES

(a) Public property. A law enforcement officer is authorized to remove or cause removal of an abandoned motor vehicle from public property, and may

contact a towing service for its removal ~~of such motor vehicle~~, based upon personal observation by the officer that the vehicle is an abandoned motor vehicle.

(b) Private property.

(1) A law enforcement officer is authorized to remove or cause removal of an abandoned motor vehicle from private property, and may contact a towing service for its removal ~~from private property of such vehicle~~, based upon ~~complaint of the owner or agent of the property~~ the request of the landowner on ~~which~~ whose property the vehicle is located ~~that the~~ and information indicating that the vehicle is an abandoned motor vehicle.

(2) ~~An owner or agent of an owner~~ A landowner of private property is authorized to remove or cause removal of an abandoned motor vehicle from that property or to any other place on any property of the landowner, and may contact a towing service for its removal ~~from that property of an abandoned vehicle~~. ~~If an owner or agent of an owner~~ A landowner who removes or causes removal of an abandoned motor vehicle~~, the owner or agent~~ shall immediately notify the police agency in the jurisdiction from which the vehicle is removed~~.~~ ~~Notification shall include identification of~~ and provide the registration plate number, the public vehicle identification number, if available, and the make, model, and color of the vehicle. The ~~owner or agent of an owner of property upon which a motor vehicle is abandoned~~ landowner may remove the vehicle from the place where it is discovered to any other place on any property owned by him or her, or cause the vehicle to be removed by a towing service under the provisions of this subsection, without incurring any civil liability to the owner of the abandoned vehicle.

§ 2153. ABANDONED MOTOR VEHICLE CERTIFICATION

(a) ~~Within 30 days of removal of the vehicle, a towing service which has removed an abandoned motor vehicle~~ A landowner on whose property an abandoned motor vehicle is located shall apply to the Department for an abandoned motor vehicle certification on forms supplied by the Department ~~of Motor Vehicles~~ within 30 days of the date the vehicle was discovered on or brought to the property unless the vehicle has been removed from the property. An abandoned motor vehicle certification form shall indicate the date ~~of removal,~~ that the abandoned motor vehicle was discovered or brought to the property; the make, color, model, and location ~~found, and~~ of the vehicle; the name, address, and ~~phone~~ telephone number of the ~~towing service,~~ landowner; and a certification of the public vehicle identification number, if any, to be recorded by a law enforcement officer. This subsection shall not be construed as creating a private right of action against the landowner.

(b) Upon receipt of an abandoned motor vehicle certification form, the Commissioner ~~of Motor Vehicles~~ shall attempt to identify and notify the owner of the vehicle as required by section 2154 of this title. If no owner can be determined by the Commissioner within the time period allowed by section 2154 of this title, the Commissioner shall issue a certificate of abandoned motor vehicle with appropriate title or salvage title, or both, and the vehicle may be disposed of in the manner set forth in section 2156 of this title.

§ 2154. IDENTIFICATION AND RECLAMATION OF ABANDONED MOTOR VEHICLES

(a) The Department ~~of Motor Vehicles~~ shall make a reasonable attempt to locate an owner of an abandoned motor vehicle.

(1) If the abandoned motor vehicle is not identifiable by its registration plates or public vehicle identification number, and if no owner can be determined within 21 days of the date of receipt of the abandoned motor vehicle certification form, the Commissioner ~~of Motor Vehicles~~ shall issue a certificate of abandoned motor vehicle with an appropriate title or salvage title.

(2) If the abandoned motor vehicle is identifiable by its registration plates or public vehicle identification number, the Department ~~of Motor Vehicles~~ shall, within three business days of receipt of the form for certification of abandoned motor vehicle, send notice to the last known registered owner and lienholder of the vehicle. The notice shall be sent by certified mail, return receipt requested, and shall advise the last known registered owner of the motor vehicle's location and a telephone number where additional information about the motor vehicle may be obtained. If the receipt is not returned to the Department within seven business days, the Commissioner shall, by first class mail, send a second notice. Within 21 days of sending the second notice, the last known registered owner or lienholder may reclaim and retrieve the motor vehicle by presenting to the Department ~~of Motor Vehicles~~ satisfactory evidence of ownership, and paying or arranging to pay any fees or charges authorized by section 2155 of this title. If the last known registered owner or lienholder fails or refuses to reclaim the motor vehicle within 21 days of the second mailing, the Commissioner ~~of Motor Vehicles~~ shall issue a certificate of abandoned motor vehicle with appropriate title or salvage title.

(b) An owner or lienholder may reclaim an abandoned motor vehicle by presenting to the Department ~~of Motor Vehicles~~ satisfactory evidence of ownership, and paying or reimbursing, or making arrangements to pay or reimburse, the towing agency, the Department ~~of Motor Vehicles~~, or the ~~owner or agent of private property~~ landowner, as the case may be, any towing fee or storage charges permitted under section 2155 of this title.

§ 2155. FEES AND CHARGES

(a) Towing fees. For towing an abandoned motor vehicle from private property, a towing service may charge a reasonable fee to be paid by the vehicle owner or ~~agent of the owner~~ landowner of the private property.

(b) Storage charges. In addition to any towing fee, an owner or lienholder reclaiming an abandoned motor vehicle may be charged and shall pay a fee for the costs of storage of the vehicle, except that no fee may be charged for storage for any period preceding the date upon which the form for abandoned motor vehicle certification is sent ~~by the towing service~~ to the Department ~~of Motor Vehicles~~.

* * *

* * * Repeals and Conforming Change * * *

Sec. 25. REPEALS

The following sections are repealed:

(1) 23 V.S.A. § 366 (log-haulers; registration).

(2) 23 V.S.A. § 423 (negotiating and entering into an interstate compact regarding truck license fees).

(3) 23 V.S.A. § 605 (unsatisfied judgment; suspension).

Sec. 26. 23 V.S.A. § 369 is amended to read:

§ 369. TRACTORS OTHER THAN FARM TRACTORS

The annual fee for registration of a tractor, except ~~log-haulers on snow roads and~~ farm tractors as otherwise provided in this chapter, shall be based on the actual weight of such tractor at the same rate as that provided for trucks of like weight under the provisions of this chapter. The minimum fee for registering any tractor shall be $20.00.

Sec. 27. 23 V.S.A. § 603(a)(2) is amended to read:

(2) The Commissioner may, however, in his or her discretion, refuse to issue a license to any person whenever he or she is satisfied from information given him or her by credible persons, and upon investigation, that the person is mentally or physically unfit, or because of his or her habits, or record as to accidents or convictions, is unsafe to be trusted with the operation of motor vehicles. A person refused a license~~,~~ under the provisions of this subsection ~~or section 605 of this title,~~ shall be entitled to hearing as provided in sections 105–107 of this title.

* * * Chemicals of High Concern to Children; Vehicle Exemptions * * *

Sec. 28. 18 V.S.A. § 1772 is amended to read:

§ 1772. DEFINITIONS

As used in this chapter:

* * *

(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:

* * *

(G) an aircraft, motor vehicle, wheelchair, or vessel;

* * *

(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~~ all vehicles propelled or drawn by power other than muscular power, including snowmobiles, motorcycles, all-terrain vehicles, farm tractors, vehicles running only upon stationary rails or tracks, motorized highway building equipment, road making appliances, or tracked vehicles or electric personal assistive mobility devices.

* * *

* * * Signage on State Property Regarding Unlawful Idling * * *

Sec. 29. INSTALLATION OF SIGNAGE REGARDING UNLAWFUL IDLING OF MOTOR VEHICLE ENGINES

(a) Before July 1, 2017, the Department of Buildings and General Services (Department), in consultation with the Agency of Transportation, shall oversee completion of a project to install signs on property owned or controlled by the State where parking is permitted indicating that idling of motor vehicle engines in violation of 23 V.S.A. § 1110 is prohibited. At a minimum, the Department shall install at least one such sign at each rest area, information center, park and ride facility, parking structure, and building owned or controlled by the State with a parking capacity of 25 pleasure cars or more. In its discretion, the Department may install additional signs at each such facility or at other State-owned or -controlled facilities where parking is permitted.

(b) On or before January 15, 2017, the Commissioner of Buildings and General Services, after consulting with the Secretary of Transportation, shall submit an interim written report to the House and Senate Committees on

Transportation on the Department's activities and plans to complete the project required under subsection (a) of this section.

* * * Driving Under the Influence; Saliva Testing * * *

Sec. 30. 23 V.S.A. § 1200 is amended to read:

§ 1200. DEFINITIONS

As used in this subchapter:

* * *

(3) "Evidentiary test" means a breath, saliva, or blood test which indicates the person's alcohol concentration or the presence of other drug and which is intended to be introduced as evidence.

* * *

Sec. 31. 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:

(A) 0.08 or more~~,~~; or

(B) 0.02 or more if the person is operating a school bus as defined in subdivision 4(34) of this title; or

(C) 0.04 or more if the person is operating a commercial motor vehicle as defined in subdivision 4103(4) of this title; or

(D) 0.05 or more and the person has 1.5 nanograms per milliliter of delta–9 tetrahydrocannabinol in the person's blood; 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~~; 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~~.

(b) A person who has previously been convicted of a violation of this section shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway and refuse a law enforcement officer's reasonable

request under the circumstances for an evidentiary test where the officer had reasonable grounds to believe the person was in violation of subsection (a) of this section.

(c) A person shall not operate, attempt to operate, or be in actual physical control of any vehicle on a highway and be involved in an accident or collision resulting in serious bodily injury or death to another and refuse a law enforcement officer's reasonable request under the circumstances for an evidentiary test where the officer has reasonable grounds to believe the person has any amount of alcohol or drugs in the system.

* * *

Sec. 32. 23 V.S.A. § 1202 is amended to read:

§ 1202. CONSENT TO TAKING OF TESTS TO DETERMINE BLOOD ALCOHOL CONTENT OR DRUG IMPAIRMENT

(a)~~(1)~~ Implied consent.

(1) Breath test. Every person who operates, attempts to operate, or is in actual physical control of any vehicle on a highway in this State is deemed to have given consent to an evidentiary test of that person's breath for the purpose of determining the person's alcohol concentration or the presence of other drug in the blood. The test shall be administered at the direction of a law enforcement officer.

(2)(A) Blood test. ~~If~~ A person is deemed to have given consent to the taking of an evidentiary sample of blood if:

(i) breath testing equipment is not reasonably available~~,~~; or ~~if~~

(ii) the law enforcement officer has ~~reason~~ reasonable grounds to believe that the person:

(I) is unable to give a sufficient sample of breath for testing~~,~~; or ~~if the law enforcement officer has reasonable grounds to believe that the person~~

(II) is under the influence of a drug other than alcohol~~,~~; or

(III) ~~the person is deemed to have given consent to the taking of an evidentiary sample of blood~~ is under the influence of alcohol and a drug.

(B) If in the officer's opinion the person is incapable of decision or unconscious or dead, it is deemed that the person's consent is given and a sample of blood shall be taken.

(3) Saliva test. If the law enforcement officer has reasonable grounds to believe that the person is under the influence of a drug other than alcohol, the

person is deemed to have given consent to the taking of an evidentiary sample of saliva. Any saliva test administered under this section shall be used only for the limited purpose of detecting the presence of a drug in the person's body, and shall not be used to extract DNA information.

~~(3)~~(4) Evidentiary test. The evidentiary test shall be required of a person when a law enforcement officer has reasonable grounds to believe that the person was operating, attempting to operate, or in actual physical control of a vehicle in violation of section 1201 of this title.

~~(4)~~(5) Fatal collision or incident resulting in serious bodily injury. The evidentiary test shall also be required if the person is the surviving operator of a motor vehicle involved in a fatal incident or collision or an incident or collision resulting in serious bodily injury and the law enforcement officer has reasonable grounds to believe that the person has any amount of alcohol or other drug in his or her system.

* * *

Sec. 33. 23 V.S.A. § 1203 is amended to read:

§ 1203. ADMINISTRATION OF TESTS; RETENTION OF TEST AND VIDEOTAPE

(a) A breath test shall be administered only by a person who has been certified by the Vermont Criminal Justice Training Council to operate the breath testing equipment being employed. In any proceeding under this subchapter, a person's testimony that he or she is certified to operate the breath testing equipment employed shall be prima facie evidence of that fact.

(b) Only a physician, licensed nurse, medical technician, physician assistant, medical technologist, or laboratory assistant acting at the request of a law enforcement officer may withdraw blood for the purpose of determining the presence of alcohol or other drug. This limitation does not apply to the taking of a breath or saliva sample.

(c) When a breath test which is intended to be introduced in evidence is taken with a crimper device, or when blood is withdrawn at an officer's request, a sufficient amount of breath, or blood, as the case may be, shall be taken to enable the person to have made an independent analysis of the sample, and shall be held for at least 45 days from the date the sample was taken. At any time during that period, the person may direct that the sample be sent to an independent laboratory of the person's choosing for an independent analysis. The Department of Public Safety shall adopt rules providing for the security of the sample. At no time shall the defendant or any agent of the defendant have access to the sample. A preserved sample of breath shall not be required when an infrared breath-testing instrument is used. A person tested with an infrared

breath-testing instrument shall have the option of having a second infrared test administered immediately after receiving the results of the first test.

(d) In the case of a breath test administered using an infrared ~~breath-testing~~ breath-testing instrument, the test shall be analyzed in compliance with rules adopted by the Department of Public Safety. The analyses shall be retained by the State. A sample is adequate if the infrared ~~breath-testing~~ breath-testing instrument analyzes the sample and does not indicate the sample is deficient. Analysis of the person's breath, saliva, or blood which is available to that person for independent analysis shall be considered valid when performed according to methods approved by the Department of Public Safety. The analysis performed by the State shall be considered valid when performed according to a method or methods selected by the Department of Public Safety. The Department of Public Safety shall use rule making procedures to select its method or methods. Failure of a person to provide an adequate breath or saliva sample constitutes a refusal.

(e) [Repealed.]

(f) When a law enforcement officer has reason to believe that a person may be violating or has violated section 1201 of this title, the officer may request the person to provide a sample of breath or saliva for a preliminary screening test using a device approved by the Commissioner of Public Safety for this purpose. The person shall not have the right to consult an attorney prior to submitting to this preliminary ~~breath alcohol~~ screening ~~test~~. The results of this preliminary screening ~~test~~ may be used for the purpose of deciding whether an arrest should be made and whether to request an evidentiary test and shall not be used in any court proceeding except on those issues. Following the screening ~~test~~, additional tests may be required of the operator pursuant to the provisions of section 1202 of this title.

(g) The Office of the Chief Medical Examiner shall report in writing to the Department of Motor Vehicles the death of any person as the result of an accident involving a vehicle and the circumstances of such accident within five days of such death.

(h) A Vermont law enforcement officer shall have a right to request a breath, saliva, or blood sample in an adjoining state or country under this section unless prohibited by the law of the other state or country. If the law in an adjoining state or country does not prohibit an officer acting under this section from taking a breath, saliva, or blood sample in its jurisdiction, evidence of such sample shall not be excluded in the courts of this State solely on the basis that the test was taken outside the State.

(i) The Commissioner of Public Safety shall adopt emergency rules relating to the operation, maintenance, and use of preliminary drug or alcohol screening

devices for use by law enforcement officers in enforcing the provisions of this title. The ~~commissioner~~ Commissioner shall consider relevant standards of the National Highway Traffic Safety Administration in adopting such rules. Any preliminary alcohol screening device authorized for use under this title shall be on the qualified products list of the National Highway Traffic Safety Administration.

* * *

Sec. 34. 23 V.S.A. § 1203a is amended to read:

§ 1203a. INDEPENDENT CHEMICAL TEST; BLOOD TESTS

(a) A person tested has the right at the person's own expense to have someone of the person's own choosing administer a chemical test or tests in addition to any administered at the direction of the law enforcement officer under section 1203 of this title. The failure or inability to obtain an additional test or tests by a person shall not preclude the admission in evidence of the test taken at the direction of an enforcement officer unless the additional test was prevented or denied by the enforcement officer.

(b) Arrangements for a blood test shall be made by the person submitting to the evidentiary breath or saliva test, by the person's attorney, or by some other person acting on the person's behalf unless the person is detained in custody after administration of the evidentiary test and upon completion of processing, in which case the law enforcement officer having custody of the person shall make arrangements for administration of the blood test upon demand but at the person's own expense.

* * *

Sec. 35. 23 V.S.A. § 1204 is amended to read:

§ 1204. PERMISSIVE INFERENCES

(a) Upon the trial of any civil or criminal action or proceeding arising out of acts alleged to have been committed by a person while operating, attempting to operate or in actual physical control of a vehicle on a highway, the person's alcohol concentration or alcohol concentration and evidence of delta–9 tetrahydrocannabinol shall give rise to the following permissive inferences:

(1) If the person's alcohol concentration at that time was less than 0.08, such fact shall not give rise to any presumption or permissive inference that the person was or was not under the influence of intoxicating liquor, but such fact may be considered with other competent evidence in determining whether the person was under the influence of intoxicating liquor.

(2) If the person's alcohol concentration at that time was 0.08 or more, it shall be a permissive inference that the person was under the influence of intoxicating liquor in violation of subdivision 1201(a)(2) or (3) of this title.

(3) If the person's alcohol concentration at that time was 0.05 or more and the person had 1.5 nanograms per milliliter of delta–9 tetrahydrocannabinol in the person's blood, it shall be a permissive inference that the person was under the combined influence of alcohol and any other drug in violation of subdivision 1201(a)(3) of this title.

(4) If the person's alcohol concentration at any time within two hours of the alleged offense was 0.10 or more, it shall be a permissive inference that the person was under the influence of intoxicating liquor in violation of subdivision 1201(a)(2) or (3) of this title.

(b) The foregoing provisions shall not be construed as limiting the introduction of any other competent evidence bearing upon the question whether the person was under the influence of intoxicating liquor, nor shall they be construed as requiring that evidence of the amount of alcohol in the person's blood, breath, urine, or saliva must be presented.

* * * Colored Lights on Fire Department and EMS Vehicles * * *

Sec. 36. 23 V.S.A. § 1252 is amended to read:

§ 1252. ISSUANCE OF PERMITS FOR SIRENS OR COLORED LAMPS, OR BOTH; USE OF AMBER LAMPS

(a) When satisfied as to the condition and use of the vehicle, the Commissioner shall issue and may revoke, for cause, permits for sirens or colored signal lamps in the following manner:

(1)(A) Sirens or blue or blue and white signal lamps, or a combination of these, may be authorized for all law enforcement vehicles owned or leased by a law enforcement agency, a certified law enforcement officer, or the Vermont Criminal Justice Training Council. If the applicant is a constable, the application shall be accompanied by a certification by the town clerk that the applicant is the duly elected or appointed constable and attesting that the town has not voted to limit the constable's authority to engage in enforcement activities under 24 V.S.A. § 1936a.

(B) One blue signal lamp may be authorized for use on a vehicle owned or leased by a fire department or on an emergency medical service (EMS) vehicle, provided that the Commissioner shall require the lamp to be mounted so as to be visible primarily from the rear of the vehicle.

(2) Sirens and red or red and white signal lamps may be authorized for all ambulances and other EMS vehicles, fire ~~apparatus~~ department vehicles,

vehicles used solely in rescue operations, or vehicles owned or leased by, or provided to, volunteer firefighters and voluntary rescue squad members, including a vehicle owned by a volunteer's employer when the volunteer has the written authorization of the employer to use the vehicle for emergency fire or rescue activities.

(3) ~~No vehicle may be authorized a permit for more than one of the combinations described in subdivisions (1) and (2) of this subsection.~~ [Repealed.]

(4) No motor vehicle, other than one owned by the applicant, shall be issued a permit until the Commissioner has recorded the information regarding both the owner of the vehicle and the applicant for the permit.

(5) Upon application to the Commissioner, the Commissioner may issue a single permit for all the vehicles owned or leased by the applicant.

(6) Sirens and red or red and white signal lamps, or sirens and blue or blue and white signal lamps, may be authorized for restored emergency or enforcement vehicles used for exhibition purposes. Sirens and lamps authorized under this subdivision may only be activated during an exhibition, such as a car show or parade.

* * *

Sec. 37. 23 V.S.A. § 1255 is amended to read:

§ 1255. EXCEPTIONS

~~(1)~~(a) The provisions of section 1251 of this title shall not apply to directional signal lamps of a type approved by the Commissioner ~~of Motor Vehicles~~.

~~(2)~~(b) All persons with motor vehicles equipped as provided in ~~subdivision~~ subdivisions 1252(a)(1) and (2) of this title~~,~~ shall use the sirens or colored signal lamps, or both, only in the direct performance of their official duties. When any person other than a law enforcement officer, firefighter, or emergency medical service (EMS) responder is operating a motor vehicle equipped as provided in subdivision 1252(a)(1) of this title, the colored signal lamp shall be either removed, covered, or hooded. When any person, other than an authorized ~~ambulance~~ EMS vehicle operator, firefighter, or authorized operator of vehicles used in a rescue operation, is operating a motor vehicle equipped as provided in subdivision 1252(a)(2) of this title, the colored signal lamps shall be either removed, covered, or hooded unless the operator holds a senior operator license.

* * * Effective Dates * * *

Sec. 38. EFFECTIVE DATES

(a) This section and Secs. 28 (chemicals of high concern to children; definition of motor vehicle) and 29 (prohibited idling of motor vehicles; signs) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2016.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Mazza, the bill was recommitted to the Committee on Transportation.

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 778.

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to State enforcement of the federal Food Safety Modernization Act.

Was taken up.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

In Sec. 1, 6 V.S.A. § 853, by striking out subdivision (a)(2) in its entirety and renumbering the subsequent subdivision to be numerically correct

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

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

S. 174.

House proposal of amendment to Senate bill entitled:

An act relating to a model State policy for use of body cameras by law enforcement officers.

Was taken up.

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

First: In Sec. 1, subdivision (a)(1), after the word "report" by inserting the words in the form of proposed legislation

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

(c) A law enforcement agency or constable that does not use body cameras shall not be required to adopt a model policy regarding their use.

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.

Proposal of Amendment; Bill Passed in Concurrence with Proposals of Amendment

H. 872.

House bill entitled:

An act relating to Executive Branch fees.

Was taken up.

Thereupon, pending third reading of the bill, Senator White moved to amend the Senate proposal of amendment as follows:

First: In Sec. 34, 32 V.S.A. § 602 (definitions), in subdivision (2) (definition of "fee"), by striking out subparagraph (A) in its entirety and inserting in lieu thereof a new subparagraph (A) to read as follows:

(A) Means a monetary charge by an agency ~~or~~, the ~~judiciary~~ Judiciary, or a municipal official when that charge is established in statute, for a service or product provided to, or the regulation of, specified classes of individuals or entities.

Second: By inserting a new section to be numbered Sec. 34a to read as follows:

Sec. 34a. 32 V.S.A. chapter 7, subchapter 6 is amended to read:

Subchapter 6. Executive and Judicial Branch Fees; Municipal Fees

§ 601. STATEMENT OF PURPOSE

It is the purpose of this subchapter to establish a uniform policy on the creation and review of Executive and Judicial Branch fees and statutorily established municipal fees, and to require that any such fee be created solely by the General Assembly.

* * *

§ 605b. MUNICIPAL ADVISORY COMMITTEE; CONSOLIDATED MUNICIPAL FEE REPORT AND REQUEST

(a) Creation. There is created a Municipal Advisory Committee for the purpose of preparing a municipal fee report and request to be submitted to the General Assembly every three years.

(1) The Committee shall be composed of the following five members:

(A) two municipal officials, one of whom is from a small town, and one of whom is from a big town, and one of whom receives fees as salary, and one of whom does not receive fees as salary, who are current members of the Vermont Municipal Clerks' and Treasurers' Association (VMCTA), and who shall be appointed by the Governor after recommendation by the VMCTA;

(B) two municipal officials, one of whom is from a small town, and one of whom is from a big town, and one of whom receives fees as salary, and one of whom does not receive fees as salary, who are not members of the VMCTA, and who shall be appointed by the Governor after recommendation by the Vermont League of Cities and Towns; and

(C) The Secretary of State or designee.

(2) The Secretary of State or designee shall be the Chair of the Committee. The Chair shall call the first meeting of the Committee to occur on or before September 1, 2016. A majority of the membership shall constitute a quorum.

(3) The Committee shall have the administrative, technical, and legal assistance of the Secretary of State.

(4) There shall be no reimbursement for attendance at meetings of the Municipal Advisory Committee.

(b) Duties; generally. The Committee shall submit a consolidated municipal fee report and request no later than the third Tuesday of the legislative session of 2017 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.

(c) Fee report. After the Committee consults with any affected agency, a fee report shall contain for each fee required to be paid to a municipality that the Committee recommends be amended:

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

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

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

(4) the revenues derived from it in each of the two previous fiscal years.

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

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

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

(A) the relationship between the revenue to be raised by the fee or change in the fee and the cost or change in the cost of the service, product, or regulatory function supported by the fee, with costs construed pursuant to subdivision 603(2) of this title;

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

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

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

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

(F) other considerations.

§ 606. LEGISLATIVE FEE REVIEW PROCESS; FEE BILL

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

* * *

Which was agreed to.

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

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 873.

House bill entitled:

An act relating to making miscellaneous tax changes.

Was taken up.

Thereupon, pending third reading of the bill, Senators Ashe, Mullin and Sirotkin moved to amend the Senate proposal of amendment by adding a new section to be numbered Sec. 28a to read as follows:

Sec. 28a. OFFICE OF THE HEALTH CARE ADVOCATE; REPORT

In the annual report submitted by the Office of the Health Care Advocate for calendar year 2016 pursuant to 18 V.S.A. § 9603(a)(11), the Office shall provide recommendations regarding whether:

(1) the Office of the Health Care Advocate should be relieved of obligations to serve as a voting member of any advisory group, task force, or similar group in order to fulfill more effectively the Office's consumer advocacy function;

(2) Vermont Health Connect-related consumer issues should be directed in the first instance to the insurance carrier for resolution; and

(3) any other statutory or structural changes to strengthen the role of the Office of the Health Care Advocate in providing systemic advocacy.

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 22, Nays 6.

Senator Mullin 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, Balint, Baruth, Bray, Campbell, Campion, Cummings, Doyle, Kitchel, Lyons, MacDonald, Mazza, Nitka, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Collamore, Degree, Flory, Mullin, Pollina.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 875.

House bill entitled:

An act relating to making appropriations for the support of government.

Was taken up.

Thereupon, pending third reading of the bill, Senator Kitchel moved to amend the Senate proposal of amendment by striking out Sec. B.124 in its entirety and inserting in lieu thereof a new Sec. B.124 to read as follows:

Sec. B.124 Executive office - governor's office

Personal services	1,449,630
Operating expenses	436,716
Total	1,881,676
Source of funds	
General fund	1,695,176
Interdepartmental transfers	186,500
Total	1,881,676

Which was agreed to.

Thereupon, Senator Ayer moved that the Senate proposal of amendment be amended by adding a new section to be Sec. E.100.10 to read as follows:

Sec. E.100.10 UNIVERSAL PRIMARY CARE; REPORT

(a) Regardless of any future developments in payment and delivery system reform, Vermont is likely to continue to have uninsured or underinsured residents. As expanding access to primary care services is a proven method for improving population health, the General Assembly intends to move forward with implementation of universal primary care for all Vermonters.

(b) In order to determine a path forward toward implementing universal primary care in Vermont, the Secretary of Administration or designee shall:

(1) conduct a literature review of any savings realized by universal health care programs over time that are attributable to the availability of universal access to primary care; and

(2) analyze the primary care payment models created through the development of the all-payer model in order to enable legislators to estimate appropriate reimbursement amounts for health care providers delivering primary care services.

(c) The Secretary or designee shall provide a detailed implementation timeline for universal primary care, including the recommended timing for conducting cost analyses; developing financing options; projecting impacts on insurance markets, individuals, households, businesses, and others; and estimating one-time and ongoing administrative costs.

(d) On or before December 15, 2016, the Secretary or designee shall report the results of the universal primary care study required by subsection (b) of this section, and the timeline developed pursuant to subsection (c) of this section, to the Health Reform Oversight Committee, the Joint Fiscal Committee, 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.

Which was agreed to.

Senators Pollina, Benning, Collamore, White, and Zuckerman moved to amend the Senate proposal of amendment as follows:

First: In Sec. E.102 [DELETED], by striking out Sec. E.102 in its entirety and inserting in lieu thereof Secs. E.102 and E.102.1 to read as follows:

Sec. E. 102 WORKERS' COMPENSATION ADMINISTRATION AND OFFICE OF RISK MANAGEMENT STUDY COMMITTEE; REPORT

(a) Creation. There is created the Workers' Compensation Administration and Office of Risk Management Study Committee to study whether the workers' compensation adjustment and loss control functions of the Office of Risk Management in the Agency of Administration should be contracted out to a private entity and whether the Office of Risk Management should be given authority to implement safety measures necessary to reduce the cost of providing workers' compensation coverage to the State.

(b) Membership. The Committee shall be composed of the following four members:

(1) the Secretary of Administration or designee;

(2) the Commissioner of Labor or designee;

(3) the Executive Director of the Vermont State Employees' Association or designee; and

(4) the Auditor or designee.

(c) Powers and duties. The Committee shall study whether the workers' compensation adjustment and loss control functions of the Office of Risk Management should be contracted out to a private entity and whether the Office of Risk Management should be given authority to institute safety

measures necessary to reduce the cost of providing workers' compensation coverage to the State, including the following questions:

(1) what are the actions, if any, that the Agency of Administration, the Office of State Employee Workers' Compensation and Injury Prevention, and the Office of Risk Management have taken in response to the findings and recommendations of the Vermont State Auditor's 2013 Report on the State's Workers' Compensation Program, and have those actions resulted in any improvements in the performance of the Office of Risk Management or reductions in the annual cost of satisfying State employees' workers' compensation claims;

(2) whether providing the Office of Risk Management with the authority to require State agencies and departments to implement safety measures would reduce the annual cost of satisfying State employees' workers' compensation claims;

(3) whether providing the Office of Risk Management with the authority to require State agencies and departments to implement safety measures would reduce the frequency of work-related injuries among State employees;

(4) what are the likely costs and benefits to the State of contracting out the workers' compensation adjustment and loss control functions of the Office of Risk Management to a private entity, including any projected changes in the annual cost of satisfying State employees' workers' compensation claims, any projected changes in the amount of work-related injuries among State employees, and the projected annual cost of a private entity carrying out the workers' compensation adjustment and loss control functions of the Office of Risk Management; and

(5) how would the quality of the service provided to the State by a private entity carrying out the workers' compensation adjustment and loss control functions of the Office of Risk Management compare to the current level of service provided by the Office of Risk Management.

(d) Report. On or before December 31, 2016, the Committee shall submit a written report to the House Committees on Commerce and Economic Development and on Government Operations and the Senate Committees on Finance and on Government Operations with its findings; a recommendation as to whether the workers' compensation adjustment and loss control functions of the Office of Risk Management should be contracted out to a private entity; and any recommendations for legislative, regulatory, or administrative action.

(e) Meetings.

(1) The Secretary of Administration shall call the first meeting of the Committee to occur on or before July 15, 2016.

(2) The Committee shall select a chair from among its members at the first meeting.

(3) The Committee shall cease to exist on January 1, 2017.

Sec. E.102.1 OFFICE OF RISK MANAGEMENT; PRIVATIZATION

Notwithstanding any provision of law to the contrary, until no sooner than January 20, 2017, the Agency of Administration shall not enter into a privatization contract, as defined in 3 V.S.A. § 341, for the workers' compensation adjustment and loss control functions of the Agency's Office of Risk Management.

Second: In Sec. F.100, Effective Dates, in subsection (a), after the following: "E.100(c) (Secretary of State, conversion of limited service position)," by inserting the following: E.102 and E.102.1 (Office of Risk Management; privatization of workers' compensation adjustment and loss control functions; study; moratorium),

Which was disagreed to on a roll call, Yeas 13, Nays 15.

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: Ayer, Balint, Baruth, Benning, Collamore, Cummings, Doyle, MacDonald, Mullin, Pollina, Sirotkin, White, Zuckerman.

Those Senators who voted in the negative were: Ashe, Bray, Campbell, Campion, Degree, Flory, Kitchel, Lyons, Mazza, Nitka, Riehle, Rodgers, Sears, Starr, Westman.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Thereupon, Senator Benning moved that the Senate proposal of amendment be amended by striking out Sec. E.127.1, recommendations for the future of Vermont Health Connect, in its entirety and inserting in lieu thereof the following:

Sec. E.127.1 RECOMMENDATIONS FOR ALTERNATIVES TO THE VERMONT HEALTH BENEFIT EXCHANGE

(a)(1) The Joint Fiscal Office (JFO), in collaboration with one or more independent third parties pursuant to contracts negotiated for that purpose, shall conduct an analysis for the General Assembly on or before December 15, 2016 regarding alternative approaches to the Vermont Health Connect.

(2) The analysis shall provide a comparison of the costs of the alternative approaches required to ensure a sustainable, effective State-based exchange and, to the extent possible, shall provide specific recommendations and action steps for legislative consideration. Alternative approaches shall include any opportunity to build on other states' exchange technology, as well as a fully or partially federally facilitated exchange. Factors to be analyzed include required technological changes, ease of transition, short-term and long-term costs for both the transition and the operation of the alternative approaches, and implications for future developments in the Vermont health care system.

(3) Any options presented in this analysis shall be scored based upon the factors described in subdivision (a)(2) of this section.

(b) In conducting the analysis pursuant to this section, and in preparing any requests for proposals from independent third parties, the JFO shall consult with health insurers offering qualified health plans on Vermont Health Connect.

(c) The Secretary of Administration, the Secretary of Human Services, and the Chief Information Officer shall provide the JFO access to reviews conducted to evaluate Vermont Health Connect and any other information required to complete this analysis. The Executive Branch shall provide other assistance as needed. If necessary, the JFO shall enter into a memorandum of understanding with the Executive Branch relating to any reviews or other information that shall protect security and confidentiality.

(d) Of the amounts appropriated in fiscal year 2017 from State funds to the Department of Vermont Health Access for the operation of Vermont Health Connect, the amount of $250,000 is transferred from the Department to the JFO for the purpose of implementing this section.

Which was disagreed to on a roll call, Yeas 8, Nays 20.

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

Roll Call

Those Senators who voted in the affirmative were: Benning, Collamore, Degree, Doyle, Flory, Mullin, Pollina, Westman.

Those Senators who voted in the negative were: Ashe, Ayer, Balint, Baruth, Bray, Campbell, Campion, Cummings, Kitchel, Lyons, MacDonald, Mazza, Nitka, Riehle, Rodgers, Sears, Sirotkin, Starr, White, Zuckerman.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Thereupon, Senator Degree moved that the Senate proposal of amendment be amended by striking out Sec. E.141.1, 31 V.S.A. § 654, in its entirety and inserting in lieu thereof a new Sec. E.141.1 to read as follows:

Sec. E.141.1 31 V.S.A. § 654 is amended to read:

§ 654. POWERS AND DUTIES

The Commission shall adopt rules pursuant to 3 V.S.A. chapter 25, governing the establishment and operation of the State Lottery. The rules may include the following:

* * *

(7) ~~Ticket~~ Lottery product sales locations, which may include State liquor stores and liquor agencies; private business establishments; ~~fraternal, religious, and~~ volunteer organizations; ~~town clerks' offices~~; and State fairs, race tracks, and other sporting arenas.

* * *

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

Thereupon, Senator Sirotkin moved that the Senate proposal of amendment be amended in Sec. E.600.1 by adding a new subsection (c) to read as follows:

(c) Notwithstanding subsection (a) of this section, tuition for full-time undergraduate students who are resident in Vermont shall not be raised by more than the annual percentage increase in the Higher Education Price Index, as published by the Commonfund Institute, unless the tuition for these students remains 40 percent or less of the tuition charged to nonresident students.

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

Thereupon, Senators Lyons and Riehle moved that the Senate proposal of amendment be amended by striking out Sec. E.306.13, primary care reallocation in its entirety and inserting in lieu thereof a new Sec. E.306.13 to read as follows:

Sec. E.306.13 PRIMARY CARE REALLOCATION

(a) The Department of Vermont Health Access, in collaboration with the Green Mountain Care Board, shall identify up to $4,000,000 within the resources appropriated to the Department of Vermont Health Access by this act that may be reallocated to increase reimbursement rates to Medicaid participating providers for Medicaid primary care services delivered on or after

July 1, 2016. The purpose of the increase shall be to restore in part the primary care rate increase that was provided with federal funds through the Affordable Care Act and that expired on December 31, 2014.

(b) In order to offset the increases required by subsection (a) of this section to maintain budget neutrality, and to the extent permitted under federal law, the Department is authorized to adjust as needed the rates of payments for Medicaid services other than primary care and the amounts of other Medicaid-related expenditures.

(c) On or before November 1, 2016, the Department of Vermont Health Access shall provide a report on its implementation of this section to the Health Reform Oversight Committee and the Joint Fiscal Committee.

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

Thereupon, Senator Bray moved that the Senate proposal of amendment be amended by striking out Sec E.141.1 in its entirety.

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

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 23, Nays 5.

Senator Kitchel 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, Balint, Baruth, Bray, Campbell, Campion, Cummings, *Flory, Kitchel, Lyons, MacDonald, Mazza, Mullin, Nitka, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Benning, Collamore, Degree, Doyle, Pollina.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

*Senator Flory explained her vote as follows:

"I remain concerned that our spending is once again exceeding the growth of our economy and wages.

"The high cost and continued problems with Vermont Health Connect account for most of this.

"I voted for this bill with the hope that, once we are able to evaluate the options called for in § 127, we will be able to reduce our spending so that we, like most Vermonters, will live within our means."

Joint House Resolution Recommitted

J.R.H. 26.

Joint House Resolution entitled:

Joint resolution relating to the amendment of the federal Toxic Substances Control Act and its preemption provisions.

Was taken up.

Thereupon, pending second reading of the joint resolution, on motion of Senator Bray, the joint resolution was recommitted to the Committee on Natural Resources and Energy.

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. 529, H. 610, H. 629, H. 778, H. 805, H. 872, H. 873, H. 875.

Rules Suspended; Bill Committed

H. 877.

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and House bill entitled:

An act relating to transportation funding.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Finance, Senator Ashe moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Appropriations with the report of the Committee on Finance *intact*,

Which was agreed to.

Adjournment

On motion of Senator Campbell, the Senate adjourned until one o'clock and thirty minutes in the afternoon on Wednesday, April 27, 2016.

WEDNESDAY, APRIL 27, 2016

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. 58

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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 House bill entitled:

H. 84. An act relating to Internet dating services.

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. Marcotte of Coventry
Rep. Dakin of Colchester
Rep. Head of South Burlington

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

H. 297. An act relating to the sale of ivory or rhinoceros horn.

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. McCullough of Williston
Rep. Sheldon of Middlebury
Rep. Lefebvre of Newark

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

H. 622. An act relating to obligations for reporting child abuse and neglect and cooperating in investigations of child abuse and neglect.

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. Mrowicki of Putney
Rep. Haas of Rochester
Rep. McCoy of Poultney

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

H. 872. An act relating to Executive Branch 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. Ancel of Calais
Rep. Branagan of Georgia
Rep. Condon of Colchester

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

H. 875. An act relating to making appropriations for the support of government.

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. Johnson of South Hero
Rep. Fagan of Rutland City
Rep. Toll of Danville

Committee Relieved of Further Consideration

H. 863.

On motion of Senator White, the Committee on Appropriations was relieved of further consideration of House bill entitled:

An act relating to making miscellaneous amendments to Vermont's retirement laws

Thereupon, the bill was entered on the Calendar for notice the next legislative day.

Bill Referred to Committee on Appropriations

House bills of the following titles, appearing on the Calendar for notice, and carrying an appropriation or requiring the expenditure of funds, under the rule, were severally referred to the Committee on Appropriations:

H. 278. An act relating to selection of the Adjutant and Inspector General.

H. 562. An act relating to professions and occupations regulated by the Office of Professional Regulation and to the review of professional regulation.

Bill Referred to Committee on Finance

H. 355.

House bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to licensing and regulating foresters.

Bills Referred

House bills entitled:

H. 881. An act relating to approval of the adoption and codification of the charter of the Town of Charlotte.

H. 882. An act relating to approval of amendments to the charter of the City of Burlington.

H. 884. An act relating to approval of amendments to the charter of the City of Barre.

H. 885. An act relating to approval of amendments to the charter of the Town of Shelburne.

Were taken up and pursuant to Temporary Rule 44A were severally referred to the Committee on Government Operations.

Third Reading Ordered

H. 111.

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

An act relating to the removal of grievance decisions from the Vermont Labor Relations Board's website.

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.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 858.

House bill entitled:

An act relating to miscellaneous criminal procedure amendments.

Was taken up.

Thereupon, pending third reading of the bill, Senators Ashe, Benning, Nitka, Sears and White moved to amend the Senate proposal of amendment by adding new Secs. 2a and 2b to read as follows:

Sec. 2a. 13 V.S.A. § 7606 is amended to read:

§ 7606. EFFECT OF EXPUNGEMENT

(a) Upon entry of an expungement order, the order shall be legally effective immediately and the person whose record is expunged shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. The Court shall issue the person a certificate stating that such person's behavior after the conviction has warranted the issuance of the order and that its effect is to annul the record of arrest, conviction, and sentence. The Court shall provide notice of the expungement to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, and any other entity that may have a record related to the order to expunge. The VCIC shall provide notice of the expungement to the Federal Bureau of Investigation's National Crime Information Center.

* * *

Sec. 2b. 13 V.S.A. § 7607 is amended to read:

§ 7607. EFFECT OF SEALING

(a) Upon entry of an order to seal, the order shall be legally effective immediately and the person whose record is sealed shall be treated in all respects as if he or she had never been arrested, convicted, or sentenced for the offense. The Court shall issue the person a certificate stating that such person's behavior after the conviction has warranted the issuance of the order and that its effect is to annul the record of arrest, conviction, and sentence. The Court shall provide notice of the sealing to the respondent, Vermont Crime Information Center (VCIC), the arresting agency, and any other entity that may have a record related to the order to seal. The VCIC shall provide notice of the

sealing to the Federal Bureau of Investigation's National Crime Information Center.

* * *

Which was agreed to.

Thereupon, Senators Sears, Ashe, Benning and White moved that the Senate proposal of amendment be amended in Sec. 7, 18 V.S.A. § 4230, after subdivision (a)(5) and before "* * *" by adding the following:

(b) Selling or dispensing.

(1) A person knowingly and unlawfully selling marijuana or hashish shall be imprisoned not more than two years or fined not more than $10,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing ~~one-half ounce or~~ more than one ounce of marijuana or ~~2.5~~ five grams or more of hashish shall be imprisoned not more than five years or fined not more than $100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing one pound or more of marijuana or 2.8 ounces of hashish shall be imprisoned not more than 15 years or fined not more than $500,000.00, or both.

Which was agreed to.

Thereupon, Senators Sears, Ashe, Benning, and White move that the Senate propose to the House that the bill be amended as follows:

First: By adding four new sections to be numbered Secs. 8 through 11 to read as follows:

Sec. 8. 18 V.S.A. § 4230a is amended to read:

§ 4230a. MARIJUANA POSSESSION BY A PERSON 21 YEARS OF AGE OR OLDER~~; CIVIL VIOLATION~~

(a)(1) ~~A person 21 years of age or older who knowingly and unlawfully possesses one ounce or less of marijuana or five grams or less of hashish commits a civil violation and shall be assessed a civil penalty as follows:~~

~~(1) not more than $200.00 for a first offense;~~

~~(2) not more than $300.00 for a second offense;~~

~~(3) not more than $500.00 for a third or subsequent offense.~~

~~(b)~~(1) Except as otherwise provided in this section, a person 21 years of age or older who possesses one ounce or less of marijuana or five grams or less of hashish or who possesses paraphernalia for marijuana use shall not be

penalized or sanctioned in any manner by the State or any of its political subdivisions or denied any right or privilege under State law.

(2)(A) ~~A violation of this section shall not result in the creation of a criminal history record of any kind~~ A person shall not consume marijuana in a public place. "Public place" means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the possession of a lighted tobacco product is prohibited pursuant to section 1421 of this title or chapter 37 of this title.

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

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

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

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

~~(c)(1)~~(b) This section does not ~~exempt any person from arrest or prosecution for being under the influence of marijuana while operating a vehicle of any kind and shall not be construed to repeal or modify existing laws or policies concerning the operation of vehicles of any kind while under the influence of marijuana.~~

~~(2) This section is not intended to affect the search and seizure laws afforded to duly authorized law enforcement officers under the laws of this State. Marijuana is contraband pursuant to section 4242 of this title and subject to seizure and forfeiture unless possessed in compliance with chapter 86 of this title (therapeutic use of cannabis).~~

~~(3) This section shall not be construed to prohibit a municipality from regulating, prohibiting, or providing additional penalties for the use of marijuana in public places.~~:

(1) permit a person to cultivate marijuana without a license from the Department of Public Safety;

(2) exempt a person from arrest, citation, or prosecution for being under the influence of marijuana while operating a vehicle of any kind or for consuming marijuana while operating a motor vehicle;

(3) repeal or modify existing laws or policies concerning the operation of vehicles of any kind while under the influence of marijuana or for consuming marijuana while operating a motor vehicle;

(4) limit the authority of primary and secondary schools to impose administrative penalties for the possession of marijuana on school property;

(5) prohibit a municipality from adopting a civil ordinance to provide additional penalties for consumption of marijuana in a public place;

(6) prohibit a landlord from banning possession or use of marijuana in a lease agreement; or

(7) allow an inmate of a correctional facility to possess or use marijuana or to limit the authority of law enforcement, the courts, the Department of Corrections, or the Parole Board to impose penalties on offenders who use marijuana in violation of a court order, conditions of furlough, parole, or rules of a correctional facility.

~~(d) If a person suspected of violating this section contests the presence of cannabinoids within 10 days of receiving a civil citation, the person may request that the State Crime Laboratory test the substance at the person's expense. If the substance tests negative for the presence of cannabinoids, the State shall reimburse the person at state expense.~~

~~(e)~~(c)(1) A law enforcement officer is authorized to detain a person if:

(A) the officer has reasonable grounds to believe the person has violated subsection (b) of this section; and

(B) the person refuses to identify himself or herself satisfactorily to the officer when requested by the officer.

(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.

~~(f)~~(d) Fifty percent of the civil penalties imposed by the Judicial Bureau for violations of this section shall be deposited in the Drug Task Force Special Fund, hereby created to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and available to the Department of Public Safety for the funding of law enforcement officers on the Drug Task Force, except for a $12.50 administrative charge for each violation which shall be deposited in the Court Technology Special Fund, in accordance with 13 V.S.A. § 7252. The remaining 50 percent shall be deposited in the Youth Substance Abuse Safety Program Special Fund, hereby created to be managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and available to the Court Diversion Program for funding of the Youth Substance Abuse Safety Program as required by section 4230b of this title.

(e) Nothing in this section shall be construed to do any of the following:

(1) require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growing of marijuana in the workplace;

(2) prevent an employer from adopting a policy that prohibits the use of marijuana in the workplace;

(3) create a cause of action against an employer that discharges an employee for violating a policy that restricts or prohibits the use of marijuana by employees; or

(4) prevent an employer from prohibiting or otherwise regulating the use, consumption, possession, transfer, display, transportation, sale, or growing of marijuana on the employer's premises.

Sec. 9. 18 V.S.A. § 4230e is added to read:

§ 4230e. SALE OR FURNISHING MARIJUANA TO A PERSON UNDER 21 YEARS OF AGE

(a) No person shall:

(1) sell or furnish marijuana to a person under 21 years of age; or

(2) knowingly enable the consumption of marijuana by a person under 21 years of age.

(b) As used in this section, "enable the consumption of marijuana" means creating a direct and immediate opportunity for a person to consume marijuana.

(c)(1) Except as provided in subdivision (2) of this subsection and subsection (d) of this section, a person who violates subsection (a) of this section shall be imprisoned not more than two years or fined not more than $2,000.00, or both.

(2) A person who violates subdivision (a)(1) of this section by selling or furnishing marijuana to a person under 18 years of age shall be imprisoned not more than four years or fined not more than $4,000.00, or both.

(d) An employee of a marijuana establishment licensed pursuant to chapter 87 of this title, who, in the course of employment, violates subdivision (a)(1) of this section during a compliance check conducted by a law enforcement officer shall be:

(1) assessed a civil penalty of not more than $100.00 for the first violation and a civil penalty of not less than $100.00 nor more than $500.00 for a second violation that occurs more than one year after the first violation; and

(2) subject to the criminal penalties provided in subsection (c) of this section for a second violation within a year of the first violation, and for a third or subsequent violation within three years of the first violation.

(e) An employee alleged to have committed a violation of subsection (d) of this section may plead as an affirmative defense that:

(1) the purchaser exhibited and the employee carefully viewed photographic identification that indicated the purchaser to be 21 years of age or older;

(2) an ordinary prudent person would believe the purchaser to be of legal age to make the purchase; and

(3) the sale was made in good faith, based upon the reasonable belief that the purchaser was of legal age to purchase marijuana.

(f) A person who violates subsection (a) of this section, where the person under 21 years of age, while operating a motor vehicle on a public highway, causes death or serious bodily injury to himself or herself or to another person as a result of the violation, shall be imprisoned not more than five years or fined not more than $10,000.00, or both.

(g) This section shall not apply to:

(1) A person under 21 years of age who sells or furnishes marijuana to a person under 21 years of age or who knowingly enables the consumption of marijuana by a person under 21 years of age. Possession of an ounce or less of marijuana by a person under 21 years of age shall be punished in accordance with sections 4230b–4230d of this title and dispensing or selling marijuana shall be punished in accordance with sections 4230 and 4237 of this title.

(2) A dispensary registered pursuant to chapter 86 of this title.

Sec. 10. 18 V.S.A. § 4230f is added to read:

§ 4230f. SALE OR FURNISHING MARIJUANA TO A PERSON UNDER 21 YEARS OF AGE; CIVIL ACTION FOR DAMAGES

(a) A spouse, child, guardian, employer, or other person who is injured in person, property, or means of support by a person under 21 years of age who is impaired by marijuana, or in consequence of the impairment by marijuana of any person under 21 years of age, shall have a right of action in his or her own name, jointly or severally, against any person or persons who have caused in whole or in part such impairment by selling or furnishing marijuana to a person under 21 years of age.

(b) Upon the death of either party, the action and right of action shall survive to or against the party's executor or administrator. The party injured or

his or her legal representatives may bring either a joint action against the impaired person under 21 years of age and the person or persons who sold or furnished the marijuana, or a separate action against either or any of them.

(c) An action to recover for damages under this section shall be commenced within two years after the cause of action accrues, and not after.

(d) In an action brought under this section, evidence of responsible actions taken or not taken is admissible if otherwise relevant. Responsible actions may include a marijuana establishment's instruction to employees as to laws governing the sale of marijuana to adults 21 years of age or older and procedures for verification of age of customers.

(e) A defendant in an action brought under this section has a right of contribution from any other responsible person or persons, which may be enforced in a separate action brought for that purpose.

(f)(1) Except as provided in subdivision (2) of this subsection, nothing in this section shall create a statutory cause of action against a social host for furnishing marijuana to any person without compensation or profit. However, this subdivision shall not be construed to limit or otherwise affect the liability of a social host for negligence at common law.

(2) A social host who knowingly furnishes marijuana to a person under 21 years of age may be held liable under this section if the social host knew, or a reasonable person in the same circumstances would have known, that the person who received the marijuana was under 21 years of age.

(3) As used in this subsection, "social host" means a person who is not the holder of a marijuana establishment license and is not required under chapter 87 of this title to hold a marijuana establishment license.

Sec. 11. 18 V.S.A. § 4230g is added to read:

§ 4230g. CHEMICAL EXTRACTION PROHIBITED

(a) No person shall manufacture concentrated marijuana by chemical extraction or chemical synthesis using a solvent such as butane, hexane, isopropyl alcohol, ethanol, or carbon dioxide unless authorized as a dispensary pursuant to a registration issued by the Department of Public Safety pursuant to chapter 86 of this title. This section does not preclude extraction by vegetable glycerin.

(b) A person who violates subsection (a) of this section shall be imprisoned not more than two years or fined not more than $2,000.00, or both. A person who violates subsection (a) of this section and causes serious bodily injury to another person shall be imprisoned not more than five years or fined not more than $5,000.00, or both.

And by renumbering the remaining sections to be numerically correct.

Second: By striking out the new Sec. 13 (effective date) and inserting in lieu thereof the following:

Sec. 13. EFFECTIVE DATES

(a) Sec. 8 shall take effect on January 2, 2018.

(b) Secs. 10 and 11 shall take effect July 1, 2016.

(c) All remaining sections shall take effect on passage.

Which was agreed to on a roll call Yeas 17, Nays 10.

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: Ashe, Ayer, Balint, Baruth, Benning, Campion, Cummings, Doyle, Lyons, MacDonald, Pollina, Rodgers, Sears, Sirotkin, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Campbell, Collamore, Degree, Flory, Kitchel, Mazza, Mullin, Nitka, Riehle, Starr.

Those Senators absent and not voting were: Bray, McAllister (suspended), McCormack.

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

First: By adding new sections to be Secs. 13 through 40 to read as follows:

* * * Findings * * *

Sec. 13. LEGISLATIVE FINDINGS AND INTENT

The General Assembly finds the following:

(1) According to a 2014 study commissioned by the administration and conducted by the RAND Corporation, marijuana is commonly used in Vermont with an estimated 80,000 residents having used marijuana in the last month.

(2) For over 75 years, Vermont has debated the issue of marijuana regulation and amended its marijuana laws numerous times in an effort to protect public health and safety. Criminal penalties for possession rose in the 1940s and 50s to include harsh mandatory minimums, dropped in the 1960s and 70s, rose again in the 1980s and 90s, and dropped again in the 2000s. A study published in the American Journal of Public Health found that no evidence supports the claim that criminalization reduces marijuana use.

(3) Vermont seeks to take a new comprehensive approach to marijuana use and abuse that incorporates prevention, education, regulation, treatment, and law enforcement which results in a net reduction in public harm and an overall improvement in public safety. Responsible use of marijuana by adults 21 years of age or older should be treated the same as responsible use of alcohol, the abuse of either treated as a public health matter, and irresponsible use of either that causes harm to others sanctioned with penalties.

(4) Policymakers recognize legitimate federal concerns about marijuana reform and seek through this legislation to provide better control of access and distribution of marijuana in a manner that prevents:

(A) distribution of marijuana to persons under 21 years of age;

(B) revenue from the sale of marijuana going to criminal enterprises;

(C) diversion of marijuana to states that do not permit possession of marijuana;

(D) State-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or activity;

(E) violence and the use of firearms in the cultivation and distribution of marijuana;

(F) drugged driving and the exacerbation of any other adverse public health consequences of marijuana use;

(G) growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and

(H) possession or use of marijuana on federal property.

(5) In his 2016 State of the State address, the Governor identified five essential elements to a well-regulated framework for marijuana legalization, which the General Assembly believes have been addressed in this Act:

(A) Keeping marijuana and other drugs out of the hands of youth.

(B) Creating a regulated marijuana market that shifts demand away from the illegal market and the inherent public health and safety risks associated with the illegal market.

(C) Using revenue from commercial marijuana sales to expand drug prevention and treatment programs.

(D) Strengthening law enforcement's capacity to improve the response to impaired drivers under the influence of marijuana or other drugs.

(E) Prohibiting the commercial production and sale of marijuana concentrates and edible marijuana products until other states that are currently permitting such products successfully develop consumer protections that are shown to prevent access by youth and potential misuse by adults.

(6) Revenue generated by this act shall be used to provide for the implementation, administration, and enforcement of this chapter and to provide additional funding for State efforts on the prevention of substance abuse, treatment of substance abuse, and criminal justice efforts to combat the illegal drug trade and impaired driving. As used in this subdivision, "criminal justice efforts" shall include efforts by both State and local criminal justice agencies, including law enforcement, prosecutors, public defenders, and the courts.

(7)(A) The General Assembly understands there are a number of Vermonters who would prefer to cultivate small amounts of marijuana for personal use instead of buying marijuana through a licensed retailer and to allow small "craft" marijuana cultivators to sell to the public without the same restrictions and licensing of commercial cultivators. At this time, the General Assembly believes there is insufficient information to determine whether Vermont could effectively regulate personal cultivation in a manner that would not create diversion or enforcement issues that hinder efforts to divert the marijuana economy from the illegal to the regulated market.

(B) Marijuana is illegal for any purpose under federal law and the federal government retains prosecutorial discretion to enforce the provisions of the Controlled Substances Act. In a 2013 memo from Deputy Attorney General James M. Cole, the U.S. Department of Justice provided guidance on its use of this discretion stating, "[i]n jurisdictions that have enacted laws legalizing marijuana in some form and that have also implemented strong effective regulatory and enforcement systems to control cultivation, distribution, sale and possession of marijuana, conduct in compliance with those laws and regulations is less likely to threaten [federal priorities] . . . If state enforcement efforts are not sufficiently robust to protect against the harms [identified in the memo], the federal government may seek to challenge the regulatory structure itself in addition to continuing to bring individual enforcement actions, including criminal prosecutions, focusing on those harms."

(C) The Marijuana Program Review Commission created by this act will take testimony on the issues identified in subdivision (7)(A) and consider whether and when Vermont may move toward increasing opportunities for small-scale cultivation while meeting State and federal interests concerning public health and safety.

* * * Prevention * * *

Sec. 14. MARIJUANA YOUTH EDUCATION AND PREVENTION

(a)(1) Relying on lessons learned from tobacco and alcohol prevention efforts, the Department of Health, in collaboration with the Department of Public Safety, the Agency of Education, and the Governor's Highway Safety Program, shall develop and administer an education and prevention program focused on use of marijuana by youths under 25 years of age. In so doing, the Department shall consider at least the following:

(A) Community- and school-based youth and family-focused prevention initiatives that strive to:

(i) expand the number of school-based grants for substance abuse services to enable each Supervisory Union to develop and implement a plan for comprehensive substance abuse prevention education in a flexible manner that ensures the needs of individual communities are addressed;

(ii) improve the Screening, Brief Intervention and Referral to Treatment (SBIRT) practice model for professionals serving youths in schools and other settings; and

(iii) expand family education programs.

(B) An informational and counter-marketing campaign using a public website, printed materials, mass and social media, and advertisements for the purpose of preventing underage marijuana use.

(C) Education for parents and health care providers to encourage screening for substance use disorders and other related risks.

(D) Expansion of the use of SBIRT among the State's pediatric practices and school-based health centers.

(E) Strategies specific to youths who have been identified by the Youth Risk Behavior Survey as having an increased risk of substance abuse.

(2) On or before March 15, 2017, the Department shall adopt rules to implement the education and prevention program described in subsection (a) of this section and implement the program on or before September 15, 2017.

(b) The Department shall include questions in its biannual Youth Risk Behavior Survey to monitor the use of marijuana by youths in Vermont and to understand the source of marijuana used by this population.

(c) Any data collected by the Department on the use of marijuana by youths shall be maintained and organized in a manner that enables the pursuit of future longitudinal studies.

* * * Regulation of Commercial Marijuana * * *

Sec. 15. 18 V.S.A. § 4201(15) is amended to read:

(15)(A) "Marijuana" means ~~any plant material of the genus licenses or any preparation, compound, or mixture thereof except:~~

~~(A) sterilized seeds of the plant;~~

~~(B) fiber produced from the stalks; or~~

~~(C) hemp or hemp products, as defined in 6 V.S.A. § 562~~ all parts of the plant Cannabis sativa L., except as provided by subdivision (B) of this subdivision (15), whether growing or harvested, and includes:

(i) the seeds of the plant;

(ii) the resin extracted from any part of the plant; and

(iii) any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

(B) "Marijuana" does not include:

(i) the mature stalks of the plant and fiber produced from the stalks;

(ii) oil or cake made from the seeds of the plant;

(iii) any compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, fiber, oil, or cake; or

(iv) the sterilized seed of the plant that is incapable of germination.

Sec. 16. 18 V.S.A. chapter 87 is added to read:

CHAPTER 87. MARIJUANA ESTABLISHMENTS

Subchapter 1. General Provisions

§ 4501. DEFINITIONS

As used in this chapter:

(1) "Affiliate" means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

(2) "Applicant" means a person that applies for a license to operate a marijuana establishment pursuant to this chapter.

(3) "Child care facility" means a child care facility or family day care home licensed or registered under 33 V.S.A. chapter 35.

(4) "Commissioner" means the Commissioner of Public Safety.

(5) "Department" means the Department of Public Safety.

(6) "Dispensary" means a person registered under section 4474e of this title that acquires, possesses, cultivates, manufactures, transfers, transports, supplies, sells, or dispenses marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her center and to his or her registered caregiver for the registered patient's use for symptom relief.

(7) "Enclosed, locked facility" shall be either indoors or outdoors, not visible to the public, and may include a building, room, greenhouse, fully enclosed fenced-in area, or other location enclosed on all sides and equipped with locks or other security devices that permit access only by:

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

(B) Government employees performing their official duties.

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

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

(8) "Financier" means a person, other than a financial institution as defined in 8 V.S.A. § 11101, that makes an equity investment, a gift, loan, or otherwise provides financing to a person with the expectation of a financial return.

(9) "Handbill" means a flyer, leaflet, or sheet that advertises marijuana or a marijuana establishment.

(10) "Marijuana" shall have the same meaning as provided in section 4201 of this title.

(11) "Marijuana cultivator" or "cultivator" means a person registered with the Department to engage in commercial cultivation of marijuana in accordance with this chapter.

(12) "Marijuana establishment" means a marijuana cultivator, retailer, or testing laboratory licensed by the Department to engage in commercial marijuana activity in accordance with this chapter.

(13) "Marijuana retailer" or "retailer" means a person licensed by the Department to sell marijuana to consumers for off-site consumption in accordance with this chapter.

(14) "Marijuana testing laboratory" or "testing laboratory" means a person licensed by the Department to test marijuana for cultivators and retailers in accordance with this chapter.

(15) "Owns or controls," "is owned or controlled by," and "under common ownership or control" mean direct ownership or beneficial ownership of an equity interest, or the equivalent thereof, of ten percent or more, and the power to direct, or cause the direction of, the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(16) "Person" shall include any natural person; corporation; municipality; the State of Vermont or any department, agency, or subdivision of the State; and any partnership, unincorporated association, or other legal entity.

(17) "Plant canopy" means the square footage dedicated to live plant production and does not include areas such as office space or areas used for the storage of fertilizers, pesticides, or other products.

(18) "Principal" means an individual vested with the authority to conduct, manage, or supervise the business affairs of a person, and may include the president, vice president, secretary, treasurer, manager, or similar executive officer of a business; a director of a corporation, nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit corporation, cooperative, or member-managed limited liability company; and a partner of a partnership.

(19) "Public place" means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the possession of a lighted tobacco product is prohibited pursuant to section 1421 of this title or chapter 37 of this title.

(20) "Resident" means a person who is domiciled in Vermont, subject to the following:

(A) The process for determining the domicile of an individual shall be the same as that required by rules adopted by the Department of Taxes related to determining domicile for the purpose of the interpretation and administration of 32 V.S.A. § 5401(14).

(B) The domicile of a business entity is the State in which it is organized.

(21) "School" means a public school, independent school, or facility that provides early childhood education as those terms are defined in 16 V.S.A. § 11.

§ 4502. MARIJUANA POSSESSED UNLAWFULLY SUBJECT TO SEIZURE AND FORFEITURE

Marijuana possessed unlawfully in violation of this chapter may be seized by law enforcement and is subject to forfeiture.

§ 4503. NOT APPLICABLE TO HEMP OR THERAPEUTIC USE OF CANNABIS

This chapter shall not apply to activities regulated by 7 V.S.A. chapter 34 (hemp) or 86 (therapeutic use of cannabis) of this title.

§ 4504. CONSUMPTION OF MARIJUANA IN A PUBLIC PLACE PROHIBITED

This chapter shall not be construed to permit consumption of marijuana in a public place. Violations shall be punished in accordance with section 4230a of this title.

§ 4505. REGULATION BY LOCAL GOVERNMENT

(a)(1) A marijuana establishment shall obtain a permit from a town, city, or incorporated village prior to beginning operations within the municipality.

(2) A municipality that hosts a marijuana establishment may establish a board of marijuana control commissioners, who shall be the members of the municipal legislative body. The board shall administer the municipal permits under this subsection for the marijuana establishments within the municipality.

(b) Nothing in this chapter shall be construed to prevent a town, city, or incorporated village from regulating marijuana establishments through local ordinances as set forth in 24 V.S.A. § 2291 or through land use bylaws as set forth in 24 V.S.A. § 4414.

(c)(1) A town, city, or incorporated village, by majority vote of those present and voting at annual or special meeting warned for the purpose, may prohibit the operation of a marijuana establishment within the municipality. The provisions of this subdivision shall not apply to a marijuana establishment that is operating within the municipality at the time of the vote.

(2) A vote to prohibit the operation of a marijuana establishment within the municipality shall remain in effect until rescinded by majority vote of those present and voting at an annual or special meeting warned for the purpose.

§ 4506. YOUTH RESTRICTIONS

(a) A marijuana establishment shall not dispense or sell marijuana to a person under 21 years of age or employ a person under 21 years of age.

(b) A marijuana establishment shall not be located within 1,000 feet of a preexisting public or private school or licensed or regulated child care facility.

(c) A marijuana establishment shall not permit a person under 21 years of age to enter a building or enclosure on the premises where marijuana is located. This subsection shall not apply to a registered patient visiting his or her designated dispensary even if that dispensary is located in a building that is located on the same premises of a marijuana establishment.

§ 4507. ADVERTISING

(a) Marijuana advertising shall not contain any statement or illustration that:

(1) is false or misleading;

(2) promotes overconsumption;

(3) represents that the use of marijuana has curative or therapeutic effects;

(4) depicts a person under 21 years of age consuming marijuana; or

(5) is designed to be appealing to children or persons under 21 years of age.

(b) Outdoor marijuana advertising shall not be located within 1,000 feet of a preexisting public or private school or licensed or regulated child care facility.

(c) Handbills shall not be posted or distributed.

(d) In accordance with section 4512 of this chapter, the Department shall adopt regulations on marijuana establishment advertising that reflect the policies of subsection (a) of this section and place restrictions on the time, place, and manner, but not content, of the advertising.

(e) All advertising shall contain the following warnings:

(1) For use only by adults 21 years of age or older. Keep out of the reach of children.

(2) Marijuana has intoxicating effects and may impair concentration, coordination, and judgment. Do not operate a motor vehicle or heavy machinery or enter into any contractual agreement under the influence of marijuana.

Subchapter 2. Administration

§ 4511. AUTHORITY

(a) For the purpose of regulating the cultivation, processing, packaging, transportation, testing, purchase, and sale of marijuana in accordance with this chapter, the Department shall have the following authority and duties:

(1) rulemaking in accordance with this chapter and 3 V.S.A. chapter 25;

(2) administration of a program for the licensure of marijuana establishments, which shall include compliance and enforcement; and

(3) submission of an annual budget to the Governor.

(b)(1) For the purpose of regulating the cultivation and testing of marijuana in accordance with this chapter, the Agency of Agriculture, Food and Markets shall have the following authority and duties:

(A) rulemaking in accordance with this chapter and 3 V.S.A. chapter 25;

(B) the inspection of licensed marijuana cultivators and testing of marijuana; and

(C) the prevention of contaminated or adulterated marijuana from being offered for sale.

(2) The authority and duties of the Agency shall be in addition to, and not a substitute for, the authority and duties of the Department.

(c)(1) There is established a Marijuana Advisory Board within the Department for the purpose of advising the Department and other administrative agencies and departments regarding policy for the implementation and operation of this chapter. The Board shall be composed of the following members:

(A) the Commissioner of Public Safety or designee;

(B) the Secretary of Agriculture, Food and Markets or designee;

(C) the Commissioner of Health or designee;

(D) the Commissioner of Taxes or designee; and

(E) a member of local law enforcement appointed by the Governor.

(2) The Department shall endeavor to notify and consult with the Board prior to the adoption of any significant policy decision.

(3) The Secretary of Administration shall convene the first meeting of the Board on or before June 1, 2016 and shall attend Board meetings.

§ 4512. RULEMAKING

(a) The Department shall adopt rules to implement this chapter on or before March 15, 2017, in accordance with subdivisions (1)–(4) of this section.

(1) Rules concerning any marijuana establishment shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment, including submission of an operating plan and the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to subsection 4522(d) of this title;

(C) oversight requirements;

(D) inspection requirements;

(E) records to be kept by licensees and the required availability of the records;

(F) employment and training requirements, including requiring that each marijuana establishment create an identification badge for each employee;

(G) security requirements, including lighting, physical security, video, and alarm requirements;

(H) restrictions on advertising, marketing, and signage;

(I) health and safety requirements;

(J) regulation of additives to marijuana, including those that are toxic or designed to make the product more addictive, more appealing to children, or to mislead consumers;

(K) procedures for seed to sale traceability of marijuana, including any requirements for tracking software;

(L) regulation of the storage and transportation of marijuana;

(M) sanitary requirements;

(N) pricing guidelines with a goal of ensuring marijuana is sufficiently affordable to undercut the illegal market;

(O) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the marijuana establishment's license;

(P) procedures for suspension and revocation of a license; and

(Q) requirements for banking and financial transactions.

(2) Rules concerning cultivators shall include:

(A) labeling requirements for products sold to retailers; and

(B) regulation of visits to the establishments, including the number of visitors allowed at any one time and recordkeeping concerning visitors.

(3) Rules concerning retailers shall include:

(A) labeling requirements, including appropriate warnings concerning the carcinogenic effects and other potential negative health consequences of consuming marijuana, for products sold to customers;

(B) requirements for proper verification of age and residency of customers;

(C) restrictions that marijuana shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the marijuana; and

(D) regulation of visits to the establishments, including the number of customers allowed at any one time and recordkeeping concerning visitors.

(4) Rules concerning testing laboratories shall include:

(A) procedures for destruction of all samples; and

(B) requirements for chain of custody recordkeeping.

(b) In addition to the rules adopted by the Department pursuant to subsection (a) of this section, the Agency of Agriculture, Food and Markets shall adopt rules regarding the cultivation and testing of marijuana regulated pursuant to this chapter as follows:

(1) restrictions on the use by cultivators of pesticides that are injurious to human health;

(2) standards for both the indoor and outdoor cultivation of marijuana, including environmental protection requirements;

(3) procedures and standards for testing marijuana for contaminants and potency and for quality assurance and control;

(4) reporting requirements of a testing laboratory; and

(5) inspection requirements for cultivators and testing laboratories.

§ 4513. IMPLEMENTATION

(a)(1) On or before April 15, 2017, the Department shall begin accepting applications for cultivator licenses and testing laboratory licenses. The initial application period shall remain open for 30 days. The Department may reopen the application process for any period of time at its discretion.

(2) On or before June 15, 2017, the Department shall begin issuing cultivator licenses and testing laboratory licenses to qualified applicants.

(b)(1) On or before May 15, 2017, the Department shall begin accepting applications for retail licenses. The initial application period shall remain open for 30 days. The Department may reopen the application process for any period of time at its discretion.

(2) On or before September 15, 2017, the Department shall begin issuing retailer licenses to qualified applicants. A license shall not permit a licensee to open the store to the public or sell marijuana to the public prior to January 2, 2018.

(c)(1) Prior to July 1, 2018, provided applicants meet the requirements of this chapter, the Department shall issue:

(A) a maximum of 10 cultivator licenses that permit a cultivation space of not more than 1,000 square feet;

(B) a maximum of four cultivator licenses that permit a cultivation space of 1,001–2,500 square feet;

(C) a maximum of 10 cultivator licenses that permit a cultivation space of 2,501–5,000 square feet;

(D) a maximum of three cultivator licenses that permit a cultivation space of 5,001–10,000 square feet;

(E) a maximum of five testing laboratory licenses; and

(F) a maximum of 15 retailer licenses.

(2) On or after July 1, 2018 and before July 1, 2019, provided applicants meet the requirements of this chapter and in addition to the licenses authorized in subdivision (1) of this subsection, the Department shall issue:

(A) a maximum of 10 cultivator licenses that permit a cultivation space of not more than 1,000 square feet for a total of 20 such licenses;

(B) a maximum of four cultivator licenses that permit a cultivation space of 1,001–2,500 square feet for a total of eight such licenses;

(C) a maximum of 10 cultivator licenses that permit a cultivation space of 2,501–5,000 square feet for a total of 20 such licenses;

(D) a maximum of three cultivator licenses that permit a cultivation space of 5,001–10,000 square feet for a total of six such licenses;

(E) a maximum of five testing laboratory licenses for a total of 10 such licenses; and

(F) a maximum of 15 retailer licenses for a total of 30 such licenses.

(3) On or after July 1, 2019, the limitations in subdivisions (1) and (2) of this subsection shall not apply and the Department shall use its discretion to issue licenses in a number and size for the purpose of competing with and undercutting the illegal market based on available data and recommendations of the Marijuana Program Review Commission. A cultivator licensed under the limitations of subdivisions (1) or (2) of this subsection may apply to the Department to modify its license to expand its cultivation space.

§ 4514. CIVIL CITATIONS; SUSPENSION AND REVOCATION OF LICENSES

(a) The Department shall have the authority to adopt rules for the issuance of civil citations for violations of this chapter and the rules adopted pursuant to section 4512 of this title. Any proposed rule under this section shall include the full, minimum, and waiver penalty amounts for each violation.

(b) The Department shall have the authority to suspend or revoke a license for violations of this chapter in accordance with rules adopted pursuant to section 4512 of this title.

Subchapter 3. Licenses

§ 4521. GENERAL PROVISIONS

(a) Except as otherwise permitted by this chapter, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of marijuana without obtaining a license from the Department.

(b) All licenses shall expire at midnight, April 30, of each year beginning no earlier than 10 months after the original license was issued to the marijuana establishment.

(c) Applications for licenses and renewals shall be submitted on forms provided by the Department and shall be accompanied by the fees provided for in section 4528 of this section.

(d)(1) Except as provided in subdivision (2) of this subsection (d), an applicant and its affiliates may obtain only one license, either a cultivator license, a retailer license, or a testing laboratory license under this chapter.

(2) A dispensary or a subsidiary of a dispensary may obtain one of each type of license under this chapter, provided that a dispensary or its subsidiary obtains no more than one cultivator license, one retailer license, and one testing laboratory license total.

(e) Each license shall permit only one location of the establishment.

(f) A dispensary that obtains a retailer license pursuant to this chapter shall maintain the dispensary and retail operations in a manner that protects patient and caregiver privacy in accordance with rules adopted by the Department. If the dispensary and retail establishment are located on the same premises, the dispensary and retail establishment shall provide separate entrances and common areas designed to serve patients and caregivers and customers.

(g) Each licensee shall obtain and maintain commercial general liability insurance in accordance with rules adopted by the Department. Failure to provide proof of insurance to the Department, as required, may result in revocation of the license.

(h) All records relating to security, transportation, public safety, and trade secrets in an application for a license under this chapter shall be exempt from public inspection and copying under the Public Records Act.

(i) This subchapter shall not apply to possession regulated by section 4230a of this title.

§ 4522. LICENSE QUALIFICATIONS AND APPLICATION PROCESS

(a) To be eligible for a marijuana establishment license:

(1) An applicant shall be a resident of Vermont.

(2) A principal of an applicant, and a person who owns or controls an applicant, shall have been a resident of Vermont for two or more years immediately preceding the date of application.

(3) An applicant, principal of an applicant, or person who owns or controls an applicant, who is a natural person:

(A) shall be 21 years of age or older; and

(B) shall consent to the release of his or her criminal and administrative history records.

(b) A financier of an applicant shall have been a resident of Vermont for two or more years immediately preceding the date of application.

(c) As part of the application process, each applicant shall submit, in a format proscribed by the Department, an operating plan. The plan shall include a floor plan or site plan drawn to scale that illustrates the entire operation being proposed. The plan shall also include the following:

(1) For a cultivator license, information concerning:

(A) security;

(B) traceability;

(C) employee qualifications and training;

(D) transportation of product;

(E) destruction of waste product;

(F) description of growing operation, including growing media, size of grow space allocated for plant production, space allowed for any other business activity, description of all equipment to be used in the cultivation process, and a list of soil amendments, fertilizers, or other crop production aids, or pesticides, utilized in the production process;

(G) how the applicant will meet its operation's need for energy services at the lowest present value life-cycle cost, including environmental and economic costs, through a strategy combining investments and expenditures on energy efficiency and energy supply;

(H) testing procedures and protocols;

(I) description of packaging and labeling of products transported to retailers; and

(J) any additional requirements contained in rules adopted by the Department in accordance with this chapter.

(2) For a retailer license, information concerning:

(A) security;

(B) traceability;

(C) employee qualifications and training;

(D) destruction of waste product;

(E) description of packaging and labeling of products sold to customers;

(F) the products to be sold and how they will be displayed to customers; and

(G) any additional requirements contained in rules adopted by the Department in accordance with this chapter.

(3) For a testing laboratory license, information concerning:

(A) security;

(B) traceability;

(C) employee qualifications and training;

(D) destruction of waste product; and

(E) the types of testing to be offered.

(d) The Department shall obtain a Vermont criminal history record, an out-of-state criminal history record, a criminal history record from the Federal Bureau of Investigation, and any regulatory records relating to the operation of a business in this State or any other jurisdiction for each of the following who is a natural person:

(1) an applicant or financier;

(2) a principal of an applicant or financier; and

(3) a person who owns or controls an applicant or financier.

(e) When considering applications for a marijuana establishment license, the Department shall:

(1) give priority to a qualified applicant that is a dispensary or subsidiary of a dispensary;

(2) strive for geographic distribution of marijuana establishments based on population.

§ 4523. EDUCATION

(a) An applicant for a marijuana establishment license shall meet with a Department designee for the purpose of reviewing Vermont laws and rules pertaining to the possession, purchase, storage, and sale of marijuana prior to receiving a license.

(b) A licensee shall complete an enforcement seminar every three years conducted by the Department. A license shall not be renewed unless the records of the Department show that the licensee has complied with the terms of this subsection.

(c) A licensee shall ensure that each employee involved in the sale of marijuana completes a training program approved by the Department prior to selling marijuana and at least once every 24 months thereafter. A licensee shall keep a written record of the type and date of training for each employee, which shall be signed by each employee. A licensee may comply with this requirement by conducting its own training program on its premises, using information and materials furnished by the Department. A licensee who fails to comply with the requirements of this section shall be subject to a suspension of no less than one day of the license issued under this chapter.

§ 4524. IDENTIFICATION CARD; CRIMINAL BACKGROUND CHECK

(a) The Department shall issue each employee an identification card or renewal card within 30 days of receipt of the person's name, address, and date of birth and a fee of $50.00. The fee shall be paid by the marijuana

establishment and shall not be passed on to an employee. A person shall not work as an employee until that person has received an identification card issued under this section. Each card shall contain the following:

(1) the name, address, and date of birth of the person;

(2) the legal name of the marijuana establishment with which the person is affiliated;

(3) a random identification number that is unique to the person;

(4) the date of issuance and the expiration date of the identification card; and

(5) a photograph of the person.

(b) Prior to acting on an application for an identification card, the Department shall obtain the person's Vermont criminal history record, out-of-state criminal history record, and criminal history record from the Federal Bureau of Investigation. Each person shall consent to the release of criminal history records to the Department on forms developed by the Vermont Crime Information Center.

(c) When the Department obtains a criminal history record, the Department shall promptly provide a copy of the record to the person and the marijuana establishment. The Department shall inform the person of the right to appeal the accuracy and completeness of the record pursuant to rules adopted by the Department.

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

(e) The Department shall not issue an identification card to any person who has been convicted of a drug-related criminal offense or a violent felony or who has a pending charge for such an offense. As used in this subchapter, "violent felony" means a listed crime as defined in 13 V.S.A. § 5301(7) or an offense involving sexual exploitation of children in violation of 13 V.S.A. chapter 64.

(f) The Department shall adopt rules for the issuance of an identification card and shall set forth standards for determining whether a person should be denied a registry identification card because his or her criminal history record indicates that the person's association with a marijuana establishment would pose a demonstrable threat to public safety. The rules shall consider whether a person who has a conviction for an offense not listed in subsection (e) of this

section has been rehabilitated. A conviction for an offense not listed in subsection (e) of this section shall not automatically disqualify a person for a registry identification card. A marijuana establishment may deny a person the opportunity to serve as an employee based on his or her criminal history record. A person who is denied an identification card may appeal the Department's determination in Superior Court in accordance with Rule 75 of the Vermont Rules of Civil Procedure.

(g) An identification card shall expire one year after its issuance or upon the expiration of the marijuana establishment's license, whichever occurs first.

§ 4525. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may cultivate, package, label, transport, test, and sell marijuana to a licensed retailer.

(b) Cultivation of marijuana shall occur only in an enclosed, locked facility.

(c) An applicant shall designate on their operating plan the size of the premises and the amount of actual square footage that will be dedicated to plant canopy.

(d) Representative samples of each lot or batch of marijuana intended for human consumption shall be tested for safety and potency in accordance with rules adopted by the Department and the Agency of Agriculture, Food and Markets.

(e) Each cultivator shall create packaging for its marijuana.

(1) Packaging shall include:

(A) The name and registration number of the cultivator.

(B) The strain of marijuana contained. Marijuana strains shall be either pure breeds or hybrid varieties of marijuana and shall reflect properties of the plant.

(C) The potency of the marijuana represented by the percentage of tetrahydrocannabinol and cannabidiol by mass.

(D) A "produced on" date reflecting the date that the cultivator finished producing marijuana.

(E) Warnings, in substantially the following form, stating, "Consumption of marijuana impairs your ability to drive a car and operate machinery," "Keep away from children," and "Possession of marijuana is illegal under federal law."

(F) Any additional requirements contained in rules adopted by the Department in accordance with this chapter.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(f)(1) Only unadulterated marijuana shall be offered for sale. If, upon inspection, the Agency of Agriculture, Food and Markets finds any violative pesticide residue or other contaminants of concern, the Agency shall order the marijuana, either individually or in blocks, to be:

(A) put on stop-sale;

(B) treated in a particular manner; or

(C) destroyed according to the Agency's instructions.

(2) Marijuana ordered destroyed or placed on stop-sale shall be clearly separable from salable marijuana. Any order shall be confirmed in writing within seven days. The order shall include the reason for action, a description of the marijuana affected, and any recommended treatment.

(3) A person may appeal an order issued pursuant to this section within 15 days of receiving the order. The appeal shall be made in writing to the Secretary of Agriculture, Food and Markets and shall clearly identify the marijuana affected and the basis for the appeal.

§ 4526. RETAILER LICENSE

(a) A retailer licensed under this chapter may:

(1) transport, possess, and sell marijuana to the public for consumption off the registered premises; and

(2) purchase marijuana from a licensed cultivator.

(b)(1) In a single transaction, a retailer may provide:

(A) one-half ounce of marijuana to a person 21 years of age or older upon verification of a valid government-issued photograph identification card that indicates the person is domiciled in Vermont; or

(B) one-quarter of an ounce of marijuana to a person 21 years of age or older upon verification of a valid government-issued photograph identification card that indicates the person is domiciled outside Vermont.

(2) A retailer shall not knowingly and willfully sell an amount of marijuana to a person that causes the person to exceed the possession limit.

(c) A retailer shall only sell "useable marijuana" which means the dried flowers of marijuana, and does not include the seeds, stalks, leaves, and roots

of the plant, and shall not package marijuana with other items, such as paraphernalia, for sale to customers.

(d)(1) Packaging shall include:

(A) The name and registration number of the retailer.

(B) The strain of marijuana contained. Marijuana strains shall be either pure breeds or hybrid varieties of marijuana and shall reflect properties of the plant.

(C) The potency of the marijuana represented by the percentage of tetrahydrocannabinol and cannabidiol by mass.

(D) A "produced on" date reflecting the date that the cultivator finished producing marijuana.

(E) Warnings, in substantially the following form, stating, "Consumption of marijuana impairs your ability to drive a car and operate machinery," "Keep away from children," and "Possession of marijuana is illegal under federal law."

(F) Any additional requirements contained in rules adopted by the Department in accordance with this chapter.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(e) A retailer shall display a safety information flyer developed or approved by the Board and supplied to the retailer free of charge. The flyer shall contain information concerning the methods for administering marijuana, the potential dangers of marijuana use, the symptoms of problematic usage, and how to receive help for marijuana abuse.

(f) Internet sales and delivery of marijuana to customers are prohibited.

§ 4527. MARIJUANA TESTING LABORATORY

(a) A testing laboratory licensed under this chapter may acquire, possess, analyze, test, and transport marijuana samples obtained from a licensed marijuana establishment.

(b) Testing may address the following:

(1) residual solvents;

(2) poisons or toxins;

(3) harmful chemicals;

(4) dangerous molds, mildew, or filth;

(5) harmful microbials, such as E.coli or salmonella;

(6) pesticides; and

(7) tetrahydrocannabinol and cannabidiol potency.

(c) A testing laboratory shall have a written procedural manual made available to employees to follow meeting the minimum standards set forth in rules detailing the performance of all methods employed by the facility used to test the analytes it reports.

(d) In accordance with rules adopted pursuant to this chapter, a testing laboratory shall establish a protocol for recording the chain of custody of all marijuana samples.

(e) A testing laboratory shall establish, monitor, and document the ongoing review of a quality assurance program that is sufficient to identify problems in the laboratory systems when they occur.

§ 4528. FEES

(a) The Department of Public Safety shall charge and collect initial license application fees and annual license renewal fees for each type of marijuana license under this chapter. Fees shall be due and payable at the time of license application or renewal.

(b)(1) The nonrefundable fee accompanying an application for a cultivator license pursuant to section 4525 of this chapter shall be determined as follows:

(A) For a cultivator license that permits a cultivation space of not more than 1,000 square feet, the application fee shall be $3,000.00.

(B) For a cultivator license that permits a cultivation space of 1,001–2,500 square feet, the application fee shall be $7,500.00.

(C) For a cultivator license that permits a cultivation space of 2,501–5,000 square feet, the application fee shall be $15,000.00.

(D) For a cultivator license that permits a cultivation space of 5,001–10,000 square feet, the application fee shall be $30,000.00.

(2) The nonrefundable fee accompanying an application for a retailer license pursuant to section 4526 of this chapter shall be $15,000.00.

(3) The nonrefundable fee accompanying an application for a marijuana testing laboratory license pursuant to section 4527 of this chapter shall be $500.00.

(4) If a person submits a qualifying application for a marijuana establishment license during an open application, pays the nonrefundable application fee, but is not selected to receive a license due to the limited

number of licenses available, the person may reapply, based on availability, for such a license within two years by resubmitting the application with any necessary updated information, and shall be charged a fee that is:

(A) fifty percent of the application fees set forth in subdivision (1)–(3) of this subsection if the original application was submitted prior to July 1, 2018; or

(B) twenty-five percent of the application fees set forth in subdivisions (1)–(3) of this subsection if the original application was submitted on or after July 1, 2018 and before July 1, 2019.

(c)(1) The initial annual license fee and subsequent annual renewal fee for a cultivator license pursuant to section 4525 of this chapter shall be determined as follows:

(A) For a cultivator license that permits a cultivation space of not more than 1,000 square feet, the initial annual license and subsequent renewal fee shall be $3,000.00.

(B) For a cultivator license that permits a cultivation space of 1,001–2,500 square feet, the initial annual license and subsequent renewal fee shall be $7,500.00.

(C) For a cultivator license that permits a cultivation space of 2,501–5,000 square feet, the initial annual license and subsequent renewal fee shall be $15,000.00.

(D) For a cultivator license that permits a cultivation space of 5,001–10,000 square feet, the initial annual license and subsequent renewal fee shall be $30,000.00.

(2) The initial annual license fee and subsequent annual renewal fee for a retailer license pursuant to section 4526 of this chapter shall be $15,000.00.

(3) The initial annual license fee and subsequent annual renewal fee for a marijuana testing laboratory license pursuant to section 4527 of this chapter shall be $2,500.00.

(d) The following administrative fees shall apply:

(1) Change of corporate structure fee (per person) shall be $1,000.00.

(2) Change of name fee shall be $1,000.00.

(3) Change of location fee shall be $1,000.00.

(4) Modification of license premises fee shall be $250.00.

(5) Addition of financier fee shall be $250.00.

(6) Duplicate license fee shall be $100.00.

§ 4529. MARIJUANA REGULATION AND RESOURCE FUND

(a) The Marijuana Regulation and Resource Fund is hereby created. The Fund shall be maintained by the Agency of Administration.

(b) The Fund shall be composed of:

(1) all application fees, license fees, renewal fees, and civil penalties collected by Departments pursuant to this chapter; and

(2) all taxes collected by the Commissioner of Taxes pursuant to this chapter.

(c)(1) Funds shall be appropriated as follows:

(A) For the purpose of implementation, administration, and enforcement of this chapter.

(B) Proportionately for the prevention of substance abuse, treatment of substance abuse, and criminal justice efforts by State and local law enforcement to combat the illegal drug trade and impaired driving. As used in this subdivision, "criminal justice efforts" shall include efforts by both State and local criminal justice agencies, including law enforcement, prosecutors, public defenders, and the courts.

(2) Appropriations made pursuant to subdivision (1) of this subsection shall be in addition to current funding of the identified priorities and shall not be used in place of existing State funding.

(d) All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund. Interest earned by the Fund shall be deposited into the Fund.

(e) This Fund is established in the State Treasury pursuant to 32 V.S.A. chapter 7, subchapter 5. The Commissioner of Finance and Management shall anticipate receipts in accordance with 32 V.S.A. § 588(4)(C).

(f) The Secretary of Administration shall report annually to the Joint Fiscal Committee on receipts and expenditures through the prior fiscal year on or before the Committee's regularly scheduled November meeting.

Subchapter 4. Marijuana Program Review Commission

§ 4546. PURPOSE; MEMBERS

(a) Creation. There is created a temporary Marijuana Program Review Commission for the purpose of facilitating efficient and lawful implementation of this act and examination of issues important to the future of marijuana regulation in Vermont.

(b) Membership. The Commission shall be composed of the following members:

(1) four members of the public appointed by the Governor, one of whom shall have experience in public health;

(2) one member of the House of Representatives, appointed by the Speaker of the House;

(3) one member of the Senate, appointed by the Committee on Committees; and

(4) the Attorney General or designee.

(c) Legislative members shall serve only while in office.

(d) The Governor shall appoint one member for a one-year term, two members for two-year terms, and one member for a three-year term who shall serve as Chair. The Governor may reappoint members at his or her discretion.

§ 4547. POWERS; DUTIES

(a) The Commission shall:

(1) collect information about the implementation, operation, and effect of this act from members of the public, State agencies, and private and public sector businesses and organizations;

(2) communicate with other states that have legalized marijuana and monitor those states regarding their implementation of regulation, policies, and strategies that have been successful and problems that have arisen;

(3) consider the issue of personal cultivation of a small number of marijuana plants and whether Vermont could permit home grow in a manner that would not create diversion or enforcement issues that hinder efforts to divert the marijuana economy from the illegal to the regulated market;

(4) examine the issue of marijuana concentrates and edible marijuana products and whether Vermont safely can allow and regulate their manufacture and sale and, if so, how;

(5) keep updated on the latest information in Vermont and other jurisdictions regarding the prevention and detection of impaired driving as it relates to marijuana;

(6) study the opportunity for a cooperative agriculture business model and licensure and community supported agriculture;

(7) examine whether Vermont should allow additional types of marijuana establishment licenses, including a processor license and product manufacturer license;

(8) review the statutes and rules for the therapeutic marijuana program and dispensaries and determine whether additional amendments are necessary to maintain patient access to marijuana and viability of the dispensaries;

(9) monitor supply and demand of marijuana cultivated and sold pursuant to this act for the purpose of assisting the Department and policymakers with determining appropriate numbers of licenses and limitations on the amount of marijuana cultivated and offered for retail sale in Vermont so that the adult market is served without unnecessary surplus marijuana;

(10) monitor the extent to which marijuana is accessed through both the legal and illegal market by persons under 21 years of age;

(11) identify strategies for preventing youth from using marijuana;

(12) identify academic and scientific research, including longitudinal research questions, that when completed may assist policymakers in developing marijuana policy in accordance with this act;

(13) consider whether to create a local revenue stream which may include a local option excise tax on marijuana sales or municipally assessed fees;

(14) recommend the appropriate maximum amount of marijuana sold by a retailer in a single transaction and whether there should be differing amounts for Vermonters and nonresidents; and

(15) report any recommendations to the General Assembly and the Governor, as needed.

(b)(1) On or before October 15, 2017, the Commission shall issue a report to the General Assembly and the Governor regarding allowing personal cultivation of marijuana as provided in subdivision (a)(3) of this section.

(2) On or before January 15, 2019, the Commission shall issue a final report to the General Assembly and the Governor regarding its findings and any recommendations for legislative or administrative action.

§ 4548. ADMINISTRATION

(a) Assistance. The Commission shall have the administrative, technical, and legal assistance of the Administration.

(b) Meetings.

(1) The Administration shall call the first meeting of the Commission to occur on or before August 1, 2016.

(2) A majority of the membership shall constitute a quorum.

(3) The Commission shall cease meeting regularly after the issuance of its final report, but members shall be available to meet with Administration officials and the General Assembly until July 1, 2019 at which time the Commission shall cease to exist.

(c) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for as many meetings as the Chair deems necessary.

(2) Other members of the Commission who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

Sec. 17. 32 V.S.A. chapter 207 is added to read:

CHAPTER 207. MARIJUANA TAXES

§ 7901. TAX IMPOSED

(a) There is imposed a marijuana excise tax equal to 25 percent of the sales price, as that term is defined in subdivision 9701(4) of this title, on each retail sale of marijuana in this State. The tax imposed by this section shall be paid by the buyer to the retailer. Each retailer shall collect from the buyer the full amount of the tax payable on each taxable sale.

(b) The tax imposed by this section is separate from the general sales and use tax imposed by chapter 233 of this title. The tax imposed under this section shall be separately itemized from any State and local retail sales tax on the sales receipt provided to the buyer.

(c) The following sales shall be exempt from the tax imposed under this section:

(1) sales under any circumstances in which the State is without power to impose the tax; and

(2) sales made by any dispensary, provided the marijuana will be provided only to registered qualifying patients directly or through their registered caregivers.

§ 7902. LIABILITY FOR TAX AND PENALTIES

(a) Any tax collected under this chapter shall be deemed to be held by the retailer in trust for the State of Vermont. Any tax collected under this chapter shall be accounted for separately so as to clearly indicate the amount of tax collected, and that the tax receipts are the property of the State of Vermont.

(b) Every retailer required to collect the tax imposed by this chapter shall be personally and individually liable for the amount of tax together with such interest and penalty as has accrued under this title. If the retailer is a corporation or other entity, the personal liability shall extend to any officer or agent of the corporation or entity who as an officer or agent of the same has the authority to collect the tax and transmit it to the Commissioner of Taxes as required in this chapter.

(c) A retailer shall have the same rights in collecting the tax from his or her purchaser or regarding nonpayment of the tax by the purchaser as if the tax were a part of the purchase price of the marijuana and payable at the same time; provided, however, if the retailer required to collect the tax has failed to remit any portion of the tax to the Commissioner of Taxes, the Commissioner of Taxes shall be notified of any action or proceeding brought by the retailer to collect the tax and shall have the right to intervene in such action or proceeding.

(d) A retailer required to collect the tax may also refund or credit to the purchaser any tax erroneously, illegally, or unconstitutionally collected. No cause of action that may exist under State law shall accrue against the retailer for the tax collected unless the purchaser has provided written notice to a retailer, and the retailer has had 60 days to respond.

(e) To the extent not inconsistent with this chapter, the provisions for the assessment, collection, enforcement, and appeals of the sales and use taxes in chapter 233 of this title shall apply to the tax imposed by this chapter.

§ 7903. BUNDLED TRANSACTIONS

(a) Except as provided in subsection (b) of this section, a retail sale of a bundled transaction that includes marijuana is subject to the tax imposed by this chapter on the entire selling price of the bundled transaction.

(b) If the selling price is attributable to products that are taxable and products that are not taxable under this chapter, the portion of the price attributable to the nontaxable products are subject to the tax imposed by this chapter unless the retailer can identify by reasonable and verifiable standards the portion that is not subject to tax from its books and records that are kept in the regular course of business.

(c) As used in this section, "bundled transaction" means:

(1) the retail sale of two or more products where the products are otherwise distinct and identifiable, are sold for one nonitemized price, and at least one of the products includes marijuana subject to the tax under this chapter; or

(2) marijuana provided free of charge with the required purchase of another product.

§ 7904. RETURNS

(a) Any retailer required to collect the tax imposed by this chapter shall, on or before the 15th day of every month, return to the Department of Taxes, under oath of a person with legal authority to bind the retailer, a statement containing its name and place of business, the amount of marijuana sales subject to the excise tax imposed by this subchapter sold in the preceding month, and any other information required by the Department of Taxes, along with the tax due.

(b) Every retailer shall maintain, for not less than three years, accurate records showing all transactions subject to tax liability under this chapter. These records are subject to inspection by the Department of Taxes at all reasonable times during normal business hours.

§ 7905. LICENSES

(a) Every retailer required to collect the tax imposed by this chapter shall apply for a marijuana excise tax license in the manner prescribed by the Commissioner of Taxes. The Commissioner shall issue, without charge, to each registrant a license empowering him or her to collect the marijuana excise tax. Each license shall state the place of business to which it is applicable. The license shall be prominently displayed in the place of business of the registrant. The licenses shall be nonassignable and nontransferable and shall be surrendered to the Commissioner immediately upon the registrant's ceasing to do business at the place named. A license to collect marijuana excise tax shall be in addition to the licenses required by sections 9271 (meals and rooms tax) and 9707 (sales and use tax) of this title and any license required by the Department of Public Safety.

(b) The Department of Public Safety may require the Commissioner of Taxes to suspend or revoke the tax license of any person for failure to comply with any provision of this chapter.

Sec. 18. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(18) "Vermont net income" means, for any taxable year and for any corporate taxpayer:

(A) the taxable income of the taxpayer for that taxable year under the laws of the United States, without regard to 26 U.S.C. § 168(k) of the Internal Revenue Code, and excluding income which under the laws of the United States is exempt from taxation by the states:

(i) increased by:

(I) the amount of any deduction for State and local taxes on or measured by income, franchise taxes measured by net income, franchise taxes for the privilege of doing business and capital stock taxes; and

(II) to the extent such income is exempted from taxation under the laws of the United States by the amount received by the taxpayer on and after January 1, 1986 as interest income from State and local obligations, other than obligations of Vermont and its political subdivisions, and any dividends or other distributions from any fund to the extent such dividend or distribution is attributable to such Vermont State or local obligations;

(III) the amount of any deduction for a federal net operating loss; and

(ii) decreased by:

(I) the "gross-up of dividends" required by the federal Internal Revenue Code to be taken into taxable income in connection with the taxpayer's election of the foreign tax credit; ~~and~~

(II) the amount of income which results from the required reduction in salaries and wages expense for corporations claiming the Targeted Job or WIN credits; and

(III) any federal deduction that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of marijuana, as authorized under 18 V.S.A. chapter 86 or 87, but for 26 U.S.C. § 280E.

* * *

(21) "Taxable income" means federal taxable income determined without regard to 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;

(iii) the amount 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

(iv) the amount of total itemized deductions, other than deductions for State and local income taxes, medical and dental expenses, or charitable contributions, deducted from federal adjusted gross income for the taxable year, that is in excess of two and one-half times the standard deduction allowable to the taxpayer; and

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

(i) income from United States government obligations;

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend income: either the first $5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business;

and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income; ~~and~~

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

(iv) any federal deduction that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of marijuana, as authorized under 18 V.S.A. chapter 86 or 87, but for 26 U.S.C. § 280E.

* * *

Sec. 19. 32 V.S.A. § 9741(51) is added to read:

(51) Marijuana sold by a dispensary as authorized under 18 V.S.A. chapter 86 or by a retailer as authorized under 18 V.S.A. chapter 87.

* * * Impaired Driving * * *

Sec. 20. 23 V.S.A. § 1134 is amended to read:

§ 1134. MOTOR VEHICLE OPERATOR; CONSUMPTION OR POSSESSION OF ALCOHOL OR MARIJUANA

(a) A person shall not consume alcoholic beverages or marijuana while operating a motor vehicle on a public highway. As used in this section, "alcoholic beverages" shall have the same meaning as "intoxicating liquor" as defined in section 1200 of this title.

(b) A person operating a motor vehicle on a public highway shall not possess any open container which contains alcoholic beverages or marijuana in the passenger area of the motor vehicle.

(c) As used in this section, "passenger area" shall mean the area designed to seat the operator and passengers while the motor vehicle is in operation and any area that is readily accessible to the operator or passengers while in their seating positions, including the glove compartment, unless the glove compartment is locked. In a motor vehicle that is not equipped with a trunk, the term shall exclude the area behind the last upright seat or any area not normally occupied by the operator or passengers.

(d) A person who violates subsection (a) of this section shall be assessed a civil penalty of not more than $500.00. A person who violates subsection (b) of this section shall be assessed a civil penalty of not more than ~~$25.00~~ $50.00. A person adjudicated and assessed a civil penalty for an offense under subsection (a) of this section shall not be subject to a civil violation for the same actions under subsection (b) of this section.

Sec. 21. 23 V.S.A. § 1134a is amended to read:

§ 1134a. MOTOR VEHICLE PASSENGER; CONSUMPTION OR POSSESSION OF ALCOHOL OR MARIJUANA

(a) Except as provided in subsection (c) of this section, a passenger in a motor vehicle shall not consume alcoholic beverages or marijuana or possess any open container which contains alcoholic beverages or marijuana in the passenger area of any motor vehicle on a public highway. As used in this section, "alcoholic beverages" shall have the same meaning as "intoxicating liquor" as defined in section 1200 of this title.

(b) As used in this section, "passenger area" shall mean the area designed to seat the operator and passengers while the motor vehicle is in operation and any area that is readily accessible to the operator or passengers while in their seating positions, including the glove compartment, unless the glove compartment is locked. In a motor vehicle that is not equipped with a trunk,

the term shall exclude the area behind the last upright seat or any area not normally occupied by the operator or passengers.

(c) A person, other than the operator, may possess an open container which contains alcoholic beverages or marijuana in the passenger area of a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation or in the living quarters of a motor home or trailer coach.

(d) A person who violates this section shall be fined not more than $25.00.

Sec. 22. 23 V.S.A. § 1219 is amended to read:

§ 1219. COMMERCIAL MOTOR VEHICLE; DETECTABLE AMOUNT; OUT-OF-SERVICE

A person who is operating, attempting to operate, or in actual physical control of a commercial motor vehicle with any measurable or detectable amount of alcohol or marijuana in his or her system shall immediately be placed out-of-service for 24 hours by an enforcement officer. A law enforcement officer who has reasonable grounds to believe that a person has a measurable or detectable amount of alcohol or marijuana in his or her system on the basis of the person's general appearance, conduct, or other substantiating evidence, may request the person to submit to a test, which may be administered with a preliminary screening device. The law enforcement officer shall inform the person at the time the test is requested that refusal to submit will result in disqualification. If the person refuses to submit to the test, the person shall immediately be placed out-of-service for 24 hours and shall be disqualified from driving a commercial motor vehicle as provided in section 4116 of this title.

Sec. 23. 23 V.S.A. § 4116 is amended to read:

§ 4116. DISQUALIFICATION

(a) A person shall be disqualified from driving a commercial motor vehicle for a period of one year if convicted of a first violation of:

* * *

(4) refusal to submit to a test to determine the operator's alcohol or marijuana concentration, as provided in section 1205, 1218, or 1219 of this title;

* * *

Sec. 24. VERMONT GOVERNOR'S HIGHWAY SAFETY PROGRAM

(a) Impaired driving, operating a motor vehicle while under the influence of alcohol or drugs, is a significant concern for the General Assembly. While

Vermont has made a meaningful effort to educate the public about the dangers of drinking alcohol and driving, the public seems to be less aware of the inherent risks of driving while under the influence of drugs, whether it is marijuana, a validly prescribed medication, or other drugs. It is the intent of the General Assembly that the State reframe the issue of drunk driving as impaired driving in an effort to address comprehensively the risks of such behavior through prevention, education, and enforcement.

(b)(1) The Agency of Transportation, through its Vermont Governor's Highway Safety Program, shall expand its public education and prevention campaign on drunk driving to impaired driving, which shall include drugged driving.

(2) The Agency shall report to the Senate and House Committees on Judiciary and on Transportation on or before January 15, 2017 regarding implementation of this section.

Sec. 25. REPORTING IMPAIRED DRIVING DATA

The Commissioner of Public Safety and the Secretary of Transportation, in collaboration, shall report to the Senate and House Committees on Judiciary and on Transportation on or before January 15 each year regarding the following issues concerning impaired driving:

(1) the previous year's data in Vermont;

(2) the latest information regarding best practices on prevention and enforcement; and

(3) their recommendations for legislative action.

* * *

* * * Medical Marijuana Dispensaries * * *

Sec. 26. LEGISLATIVE INTENT; DISPENSARIES

The continued viability of medical marijuana dispensaries in a regulated retail market is critical to ensure appropriate services and products to Vermonters with qualifying debilitating medical conditions.

Sec. 27. 18 V.S.A. § 4472 is amended to read:

§ 4472. DEFINITIONS

* * *

(6)(A) "Health care professional" means an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a naturopathic physician under 26 V.S.A. chapter 81 ~~who has a special license endorsement authorizing the individual to prescribe, dispense, and administer~~

~~prescription medicines to the extent that a diagnosis provided by a naturopath under this chapter is within the scope of his or her practice~~, an individual certified as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as an advanced practice registered nurse under 26 V.S.A. chapter 28.

(B) ~~Except for naturopaths, this~~ This definition includes individuals who are professionally licensed under substantially equivalent provisions in New Hampshire, Massachusetts, or New York.

* * *

(11) "Registered caregiver" means a person who is ~~at least 21 years old who has never been convicted of a drug-related crime~~ 21 years of age or older, has met eligibility requirements as determined by the Department in accordance with this chapter, and who has agreed to undertake responsibility for managing the well-being of a registered patient with respect to the use of marijuana for symptom relief.

* * *

(17) "Enclosed, locked facility" shall be either indoors or outdoors, not visible to the public, and may include a building, room, greenhouse, fully enclosed fenced-in area, or other location enclosed on all sides and equipped with locks or other security devices that permit access only by:

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

(B) Government employees performing their official duties.

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

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

Sec. 28. 18 V.S.A. § 4473 is amended to read:

§ 4473. REGISTERED PATIENTS; QUALIFICATION STANDARDS AND PROCEDURES

* * *

(b) The Department of Public Safety shall review applications to become a registered patient using the following procedures:

* * *

(5)(A) A Review Board is established. ~~The Medical Practice Board shall appoint three physicians licensed in Vermont to constitute the Review Board. If an application under subdivision (1) of this subsection is denied, within seven days the patient may appeal the denial to the Board. Review shall be limited to information submitted by the patient under subdivision (1) of this subsection, and consultation with the patient's treating health care professional. All records relating to the appeal shall be kept confidential. An appeal shall be decided by majority vote of the members of the Board~~ The Review Board shall comprise three members:

(i) a physician appointed by the Medical Practice Board;

(ii) a naturopathic physician appointed by the Office of Professional Regulation; and

(iii) an advanced practice registered nurse appointed by the Office of Professional Regulation.

(B) The Board shall meet periodically to review studies, data, and any other information relevant to the use of marijuana for symptom relief. The Board may make recommendations to the General Assembly for adjustments and changes to this chapter.

(C) Members of the Board shall serve for three-year terms, beginning February 1 of the year in which the appointment is made, except that the first members appointed shall serve as follows: one for a term of two years, one for a term of three years, and one for a term of four years. Members shall be entitled to per diem compensation authorized under 32 V.S.A. § 1010. Vacancies shall be filled in the same manner as the original appointment for the unexpired portion of the term vacated.

(D) If an application under subdivision (1) of this subsection (b) is denied, within seven days the patient may appeal the denial to the Board. Review shall be limited to information submitted by the patient under subdivision (1) of this subsection, and consultation with the patient's treating health care professional. All records relating to the appeal shall be kept confidential. An appeal shall be decided by majority vote of the members of the Board.

Sec. 29. 18 V.S.A. § 4474 is amended to read:

§ 4474. REGISTERED CAREGIVERS; QUALIFICATION STANDARDS AND PROCEDURES

* * *

(d) A registered caregiver of a patient who is under 18 years of age and suffers from seizures may cultivate hemp upon notifying the Department and shall not be required to comply with the provisions of 6 V.S.A. chapter 34.

Sec. 30. 18 V.S.A. § 4474e is amended to read:

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

(a) A dispensary registered under this section may:

(1) Acquire, possess, cultivate, manufacture, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief.

(A) Marijuana-infused products shall include tinctures, oils, solvents, and edible or potable goods. Only the portion of any marijuana-infused product that is attributable to marijuana shall count toward the possession limits of the dispensary and the patient. The Department of Public Safety shall establish by rule the appropriate method to establish the weight of marijuana that is attributable to marijuana-infused products. A dispensary shall dispense marijuana-infused products in child-resistant packaging as defined in 7 V.S.A. § 1012.

* * *

(2)(A) Acquire marijuana seeds or parts of the marijuana plant capable of regeneration from or dispense them to registered patients or their caregivers or acquire them from another registered Vermont dispensary, provided that records are kept concerning the amount and the recipient.

(B) Acquire, purchase, or borrow marijuana, marijuana-infused products, or services from another registered Vermont dispensary or give, sell, or lend marijuana, marijuana-infused products, or services to another registered Vermont dispensary, provided that records are kept concerning the product, the amount, and the recipient. Each Vermont dispensary is required to adhere to all possession limits pertaining to cultivation as determined by the number of patients designating that dispensary and may not transfer eligibility to another dispensary.

(3)(A) Cultivate and possess at any one time up to 28 mature marijuana plants, 98 immature marijuana plants, and 28 ounces of usable marijuana. However, if a dispensary is designated by more than 14 registered patients, the dispensary may cultivate and possess at any one time two mature marijuana plants, seven immature plants, and four ounces of usable marijuana for every registered patient for which the dispensary serves as the designated dispensary.

(B) Notwithstanding subdivision (A) of this subdivision (3), if a dispensary is designated by a registered patient under 18 years of age who qualifies for the registry because of seizures, the dispensary may apply to the Department for a waiver of the limits in subdivision (A) of this subdivision (3) if additional capacity is necessary to develop and provide an adequate supply of a product for symptom relief for the patient. The Department shall have discretion whether to grant a waiver and limit the possession amounts in excess of subdivision (A) of this subdivision (3) in accordance with rules adopted pursuant to section 4474d of this title.

(C) The plant limitations in subdivision (A) of this subdivision (3) shall not be construed to restrict a dispensary's cultivation of marijuana pursuant to a cultivation license issued under chapter 87 of this title.

(4) With approval from the Department, transport and transfer marijuana to a Vermont academic institution for the purpose of research.

(b)~~(1) A dispensary shall be operated on a nonprofit basis for the mutual benefit of its patients but need not be recognized as a tax-exempt organization by the Internal Revenue Service.~~

~~(2)~~ A dispensary shall have a sliding-scale fee system that takes into account a registered patient's ability to pay.

* * *

(d)(1) A dispensary shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall ensure that each location has an operational security alarm system. All cultivation of marijuana shall take place in an enclosed, locked facility ~~which is either indoors or otherwise not visible to the public and which can only be accessed by principal officers and employees of the dispensary who have valid registry identification cards~~. The Department of Public Safety shall perform an annual on-site assessment of each dispensary and may perform on-site assessments of a dispensary without limitation for the purpose of determining compliance with this subchapter and any rules adopted pursuant to this subchapter and may enter a dispensary at any time for such purpose. During an inspection, the Department may review the dispensary's confidential records, including its dispensing records, which shall track transactions according to registered patients' registry identification numbers to protect their confidentiality.

* * *

(h) A dispensary shall include a label on the packaging of all marijuana that is dispensed. The label shall:

(1) identify the particular strain of marijuana ~~contained therein~~. Cannabis strains shall be either pure breeds or hybrid varieties of cannabis and shall reflect properties of the plant~~. The label also shall~~;

(2) identify the amount of tetrahydrocannabinol in each single dose marijuana-infused edible or potable product; and

(3) contain a statement to the effect that the State of Vermont does not attest to the medicinal value of cannabis.

* * *

(o) Notwithstanding any provision of law or any provision of its articles or bylaws to the contrary, a dispensary formed as a nonprofit may convert to any other type of business entity authorized by the laws of this State by:

(1) a majority vote of the directors and a majority vote of the members, if any; and

(2) filing with the Secretary of State a statement that the dispensary is converting to another type of entity and the documents required by law to form the type of entity.

Sec. 31. 18 V.S.A. § 4474g is amended to read:

§ 4474g. DISPENSARY REGISTRY IDENTIFICATION CARD; CRIMINAL BACKGROUND CHECK

(a) Except as provided in subsection (b) of this section, the Department of Public Safety shall issue each principal officer, Board member, and employee of a dispensary a registry identification card or renewal card within 30 days of receipt of the person's name, address, and date of birth and a fee of $50.00. The fee shall be paid by the dispensary and the cost shall not be passed on to a principal officer, Board member, or employee. A person shall not serve as principal officer, Board member, or employee of a dispensary until that person has received a registry identification card issued under this section. Each card shall specify whether the cardholder is a principal officer, Board member, or employee of a dispensary and shall contain the following:

(1) the name, address, and date of birth of the person;

(2) the legal name of the dispensary with which the person is affiliated;

(3) a random identification number that is unique to the person~~.~~;

(4) the date of issuance and the expiration date of the registry identification card; and

(5) a photograph of the person.

(b) Prior to acting on an application for a registry identification card, the 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 on forms developed by the Vermont Crime Information Center. A fingerprint-supported, out-of-state criminal history record and a criminal history record from the Federal Bureau of Investigation shall be required only every three years for renewal of a card for a dispensary principal or Board member.

* * *

(e) The Department of Public Safety shall not issue a registry identification card to any applicant who has been convicted of a drug-related criminal offense or a violent felony or who has a pending charge for such an offense. ~~For purposes of~~ As used in this subchapter, "violent felony" means a listed crime as defined in 13 V.S.A. § 5301(7) or an offense involving sexual exploitation of children in violation of 13 V.S.A. chapter 64.

* * *

Sec. 32. 18 V.S.A. § 4474h is amended to read:

§ 4474h. PATIENT DESIGNATION OF DISPENSARY

(a) A registered patient may obtain marijuana only from the patient's designated dispensary and may designate only one dispensary. If a registered patient designates a dispensary, the patient and his or her caregiver may not grow marijuana or obtain marijuana or marijuana-infused products for symptom relief from any source other than the designated dispensary. A registered patient who wishes to change his or her dispensary shall notify the ~~department of public safety~~ Department of Public Safety in writing on a form issued by the ~~department~~ Department and shall submit with the form a fee of $25.00. The ~~department~~ Department shall issue a new identification card to the registered patient within 30 days of receiving the notification of change in dispensary. The registered patient's previous identification card shall expire at the time the new identification card takes effect. A registered patient shall submit his or her expired identification card to the ~~department~~ Department within 30 days of expiration. A registered patient shall not change his or her designated dispensary more than once in any ~~90-day~~ 30-day period.

(b) The ~~department of public safety~~ Department of Public Safety shall track the number of registered patients who have designated each dispensary. The ~~department~~ Department shall issue a monthly written statement to the dispensary identifying the number of registered patients who have designated

that dispensary and the registry identification numbers of each patient and each patient's designated caregiver, if any.

(c) In addition to the monthly reports, the ~~department of public safety~~ Department of Public Safety shall provide written notice to a dispensary whenever any of the following events occurs:

(1) ~~A~~ a qualifying patient designates the dispensary to serve his or her needs under this subchapter~~.~~;

(2) ~~An~~ an existing registered patient revokes the designation of the dispensary because he or she has designated a different dispensary~~.~~; or

(3) ~~A~~ a registered patient who has designated the dispensary loses his or her status as a registered patient under this subchapter.

* * * Appropriations and Positions * * *

Sec. 33. FISCAL YEAR 2017 APPROPRIATIONS FROM THE MARIJUANA REGULATION AND RESOURCE FUND

In fiscal year 2017, the following amounts are appropriated from the Marijuana Regulation and Resource Fund:

(1) Department of Health: $350,000.00 for initial prevention, education, and counter-marketing programs.

(2) Department of Taxes: $660,000.00 for the acquisition of an excise tax module and staffing expenses to administer the excise tax established in this act.

(3) Department of Public Safety:

(A) $160,000.00 for staffing expenses related to rulemaking, program administration, and processing of applications.

(B) $124,000.00 for laboratory equipment, supplies, training, testing, and contractual expenses required by this act.

(C) $63,500.00 for matching funds needed for Drug Recognition Expert training for the Department and other State law enforcement agencies in FY17 after other available matching funds are applied.

(4) Agency of Agriculture, Food and Markets:

(A) $112,500.00 for the Vermont Agriculture and Environmental Lab.

(B) $112,500.00 for staffing expenses related to rulemaking and program administration.

(5) Agency of Administration: $150,000.00 for expenses and staffing of the Marijuana Program Review Commission established in this act.

Sec. 34. EXECUTIVE BRANCH POSITION AUTHORIZATIONS

The establishment of the following new permanent classified positions is authorized in fiscal year 2017 as follows:

(1) In the Department of Health—one (1) Substance Abuse Program Manager.

(2) In the Department of Taxes—one (1) Business Analyst AC: Tax and one (1) Tax Policy Analyst.

(3) In the Department of Public Safety—one (1) Program Administrator and one (1) Administrative Assistant.

(4) In the Agency of Agriculture, Food and Markets—one (1) Agriculture Chemist and one (1) Program Administrator.

(5) In the Marijuana Program Review Commission—one (1) exempt Commission Director.

Sec. 35. MARIJUANA REGULATION AND RESOURCE FUND BUDGET AND REPORT

Annually, through 2018, the Secretary of Administration shall report to the Joint Fiscal Committee on receipts and expenditures through the prior fiscal year on or before the Committee's regularly scheduled November meeting on the following:

(1) an update of the administration's efforts concerning implementation, administration, and enforcement of this act;

(2) any changes or updates to revenue expectations from fees and taxes based on changes in competitive pricing or other information;

(3) projected budget adjustment needs for current year appropriations from the Marijuana Regulation and Resource Fund; and

(4) a comprehensive spending plan with recommended appropriations from the Fund for the next the fiscal year, by department, including an explanation and justification for the expenditures and how each recommendation meets the intent of this act.

* * * Miscellaneous * * *

Sec. 36. 24 V.S.A. § 2291 is amended to read:

§ 2291. ENUMERATION OF POWERS

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

* * *

(29) To prohibit or regulate, by means of a civil ordinance adopted pursuant to chapter 59 of this title, the number, time, place, manner, or operation of a marijuana establishment, or any class of marijuana establishments, located in the municipality; provided, however, that amendments to such an ordinance shall not apply to restrict further a marijuana establishment in operation within the municipality at the time of the amendment. As used in this subdivision, "marijuana establishment" is as defined in 18 V.S.A. chapter 87.

Sec. 37. 24 V.S.A. § 4414 is amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

Any of the following types of regulations may be adopted by a municipality in its bylaws in conformance with the plan and for the purposes established in section 4302 of this title.

* * *

(16) Marijuana establishments. A municipality may adopt bylaws for the purpose of regulating marijuana establishments as defined in 18 V.S.A. chapter 87.

Sec. 38. 6 V.S.A. chapter 5 is amended to read:

CHAPTER 5. CENTRAL TESTING LABORATORY

§ 121. CREATION AND PURPOSE

There is created within the Agency of Agriculture, Food and Markets a central testing laboratory for the purpose of providing agricultural ~~and~~, environmental, and other necessary testing services.

§ 122. FEES

Notwithstanding 32 V.S.A. § 603, the Agency shall establish fees for providing agricultural ~~and~~, environmental, and other necessary testing services at the request of private individuals and State agencies. The fees shall be reasonably related to the cost of providing the services. Fees collected under this chapter shall be credited to a special fund which shall be established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5, and which shall be available to the Agency to offset the cost of providing the services.

§ 123. REGULATED DRUGS

(a) Except as provided in subsection (b) of this section, the provisions of 18 V.S.A. chapter 84 shall not apply to the Secretary or designee in the otherwise lawful performance of his or her official duties requiring the possession or control of regulated drugs.

(b) The central testing laboratory shall obtain a certificate of approval from the Department of Health pursuant to 18 V.S.A. § 4207.

(c) As used in this section, "regulated drug" shall have the same meaning as in 18 V.S.A. § 4201.

Sec. 39. WORKFORCE STUDY COMMITTEE

(a) Creation. There is created a Workforce Study Committee to examine the potential impacts of alcohol and drug use on the workplace.

(b) Membership. The Committee shall be composed of the following five members:

(1) the Secretary of Commerce and Community Development or designee;

(2) the Commissioner of Labor or designee;

(3) the Commissioner of Health or designee;

(4) one person representing the interests of employees appointed by the Governor; and

(5) one person representing the interests of employers appointed by the Governor.

(c) Powers and duties. The Committee shall study:

(1) whether Vermont's workers' compensation and unemployment insurance systems are adversely impacted by alcohol and drug use and identify regulatory or legislative measures to mitigate any adverse impacts;

(2) the issue of alcohol and drugs in the workplace and determine whether Vermont's workplace drug testing laws should be amended to provide employers with broader authority to conduct drug testing, including by permitting drug testing based on a reasonable suspicion of drug use, or by authorizing employers to conduct post-accident, employerwide, or post-rehabilitation follow-up testing of employees; and

(3) the impact of alcohol and drug use on workplace safety and identify regulatory or legislative measures to address adverse impacts and enhance workplace safety.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Commerce and Community Development, the Department of Labor, and the Department of Health.

(e) Report. On or before December 1, 2016, the Committee shall submit a written report with findings and recommendations to the House Committee on General, Housing and Military Affairs and the Senate Committee on Economic

Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Commerce or designee shall call the first meeting of the Committee to occur on or before September 15, 2016.

(2) The Committee shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) The Committee shall cease to exist on December 31, 2016.

Sec. 40. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

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

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

* * *

(24) Violations of 18 V.S.A. ~~§§~~ § 4230a ~~and 4230b~~, relating to ~~possession~~ public consumption of marijuana.

and by renumbering the remaining sections to be numerically correct

Second: By striking the existing Sec. 41 (effective dates) and inserting in lieu thereof the following:

Sec. 41. EFFECTIVE DATES

(a) This section, Secs. 1 (human trafficking), 2 (co-payment and reimbursement orders), 3 (listed crime definition), 4 (sex offender registry), 5 and 6 (innocence protection), 7 (marijuana criminal penalties), 12 (Justice Oversight Committee), 13 (legislative intent), 14 (marijuana youth education and prevention), 15–17 and 19 (regulation of commercial marijuana) shall take effect on passage.

(c) Sec. 18 (related to marijuana taxes) shall take effect on January 1, 2017 and shall apply to taxable year 2017 and after.

(d) Secs. 8–11 (relating to marijuana civil and criminal penalties) shall take effect on January 2, 2018.

(e) Secs. 20–25 (impaired driving), 26–32 (marijuana dispensaries), 33–35 (appropriations and positions), and 36–40 (miscellaneous) shall take effect on July 1, 2016.

Which was agreed to on a roll call, Yeas 16, Nays 12.

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: Ashe, Ayer, Balint, Baruth, Benning, Campion, Cummings, Lyons, MacDonald, Pollina, Rodgers, Sears, Sirotkin, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Bray, Campbell, Collamore, Degree, Doyle, Flory, Kitchel, Mazza, Mullin, Nitka, Riehle, Starr.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 16, Nays 12.

Senator Flory 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, Balint, Baruth, Benning, Campion, Cummings, Lyons, MacDonald, Pollina, Rodgers, Sears, Sirotkin, Westman, White, Zuckerman.

Those Senators who voted in the negative were: Bray, Campbell, Collamore, Degree, Doyle, Flory, Kitchel, Mazza, Mullin, Nitka, Riehle, Starr.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Proposals of Amendment; Third Reading Ordered

H. 570.

Senator Rodgers, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to hunting, fishing, and trapping.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 2, 10 V.S.A. § 4611, by amending the title of the section as follows:

§ 4611. SALE OF ~~SALMON, TROUT, AND BLACK BASS~~ FISH

Second: In Sec. 6, 10 V.S.A. § 4503, in the second sentence, after "4781, 4783," and before "4784" by striking out "and" and inserting or

Third: In Sec. 7, 10 V.S.A. § 4514, by striking out subdivision (b)(1) in its entirety and inserting in lieu thereof the following:

(1) Big game	no more than $2,000.00 and no less than $200.00 for the first offense and no less than $500.00 each for a second or subsequent offense

Fourth: In Sec. 13, 10 V.S.A. § 4745, and in the second sentence, after "~~deer~~big game under" and before "of this title" by striking out "section~~s~~ 4826, and 4827" and inserting in lieu thereof the following: section 4826 or 4827

Fifth: By striking out Sec. 19 in its entirety and inserting in lieu thereof the following:

Sec. 19. 10 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

(1) "Agency" means the Agency of Natural Resources.

(2) "Secretary" means the Secretary of Natural Resources.

(3) "Species" ~~includes all subspecies of~~ means wildlife or wild plants and any subspecies or other group of wildlife or wild plants of the same species, the members of which may interbreed when mature.

(4) "Wildlife" means any member of a nondomesticated species of the animal kingdom, whether reared in captivity or not, including, without limitation, any mammal, fish, bird, amphibian, reptile, mollusk, crustacean, arthropod, or other invertebrate, and also including any part, product, egg, offspring, dead body, or part of the dead body of any such wildlife.

(5) "Plant" means any member of the plant kingdom, including seeds, roots, and other parts thereof. As used in this chapter, plants shall include fungi.

(6) "Endangered species" means a species listed ~~on the state endangered species list~~ as endangered under this chapter or ~~determined to be an "endangered species"~~ under the federal Endangered Species Act. ~~The term generally refers to species whose continued existence as a viable component of the State's wild fauna or flora is in jeopardy.~~

(7) "Threatened species" means a species listed ~~on the State~~ as a threatened species ~~list~~ under this chapter or determined to be a "threatened species" under the federal Endangered Species Act.

(8) "Endangered Species Act" and "federal Endangered Species Act" means the Endangered Species Act of 1973, Public Law 93-205, as amended.

(9) "Habitat" means the physical and biological environment in which a particular species of plant or animal lives.

(10) "Conserve," "conserving," and "conservation" mean to use and the use of all methods and procedures ~~both~~ for maintaining or increasing:

(A) the number of individuals within a population of a species;

(B) the number of populations of a species; and

(C) populations of wildlife or wild plants to the optimum carrying capacity of the habitat~~, and for maintaining those numbers~~.

(11) "Optimum carrying capacity" for a species means a population level of that species which, in that habitat, can ~~indefinitely~~ sustainably coexist with healthy populations of all wildlife and wild plant species normally present.

(12) "Methods" and "procedures" means all activities associated with ~~scientific~~ natural resources management, including~~, without limitation,~~ scientific research, census, law enforcement, habitat acquisition and maintenance, propagation, live trapping, and transplanting. The terms also include the periodic or continuous protection of species or populations, where appropriate, and the regulated taking of individuals of the species or population in extraordinary cases where population pressures within a habitat cannot be otherwise relieved.

(13) "Possession" ~~of a member of a species means the state of possessing~~ means holding, controlling, exporting, importing, processing, selling, offering to sell, delivering, carrying, transporting, or shipping by any means a member of ~~that~~ a species.

(14) ~~"Taking,"~~ "Take" or "taking":

(A) ~~with~~ With respect to wildlife ~~means "taking" as defined in section 4001 of this title, and~~ designated a threatened or endangered species, means:

(i) pursuing, shooting, hunting, killing, capturing, trapping, harming, snaring, or netting wildlife;

(ii) an act that creates a risk of injury to wildlife, whether or not the injury occurs, including harassing, wounding, or placing, setting, drawing, or using any net or other device used to take animals; or

(iii) attempting to engage in or assisting another to engage in an act set forth under subdivision (i) or (ii) of this subdivision (14)(A).

(B) ~~with~~ With respect to ~~wild plants~~ a wild plant designated a threatened or endangered species, means uprooting, transplanting, gathering seeds or fruit, cutting, injuring, harming, or killing or any attempt to do the same or assisting another who is doing or is attempting to do the same.

(15) "Accepted silvicultural practices" means the accepted silvicultural practices defined by the Commissioner of Forests, Parks and Recreation, including the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont adopted by the Commissioner of Forests, Parks and Recreation.

(16) "Critical habitat" for a threatened species or endangered species means:

(A) a delineated location within the geographical area occupied by the species that:

(i) has the physical or biological features that are identifiable, concentrated, and decisive to the survival of a population of the species; and

(ii) is necessary for the conservation or recovery of the species; and

(iii) may require special management considerations or protection; or

(B) a delineated location outside the geographical area occupied by a species at the time it is listed under section 5402 of this title that:

(i)(I) was historically occupied by a species; or

(II) contains habitat that is hydrologically connected or directly adjacent to occupied habitat; and

(ii) contains habitat that is identifiable, concentrated, and decisive to the continued survival of a population of the species; and

(iii) is necessary for the conservation or recovery of the species.

(17) "Destroy or adversely impact" means, with respect to critical habitat, a direct or indirect activity that negatively affects the value of critical habitat for the survival, conservation, or recovery of a listed threatened or endangered species.

(18) "Farming" shall have the same meaning as used in subdivision 6001(22) of this title.

(19) "Forestry operations" means activities related to the management of forests, including a timber harvest; pruning; planting; reforestation; pest, disease, and invasive species control; wildlife habitat management; and

fertilization. "Forestry operations" include the primary processing of forest products of commercial value on a parcel where the timber harvest occurs.

(20) "Harming," as used in the definition of "take" or "taking" under subdivision (14) of this section, means:

(A) an act that kills or injures a threatened or endangered species; or

(B) the destruction or imperilment of habitat that kills or injures a threatened or endangered species by significantly impairing continued survival or essential behavioral patterns, including reproduction, feeding, or sheltering.

Sec. 20. 10 V.S.A. § 5402 is amended to read:

§ 5402. ENDANGERED AND THREATENED SPECIES LISTS

(a) The Secretary shall adopt by rule a ~~State-endangered~~ State endangered species list and a ~~State-threatened~~ State threatened species list. The listing for any species may apply to the whole State or to any part of the State and shall identify the species by its most recently accepted genus and species names and, if available, the common name.

(b) The Secretary shall determine a species to be endangered if it normally occurs in the State and its continued existence as ~~wildlife or a wild plant in the State~~ a sustainable component of the State's wildlife or wild plants is in jeopardy.

(c) The Secretary shall determine a species to be threatened if:

(1) it is a sustainable component of the State's wildlife or wild plants;

(2) it is reasonable to conclude based on available information that its numbers are ~~significantly~~ declining ~~because of loss of habitat or human disturbance~~; and

(3) unless protected, it will become an endangered species.

(d) In determining whether a species is ~~endangered or~~ threatened or endangered, the Secretary shall consider:

(1) the present or threatened destruction, degradation, fragmentation, modification, or curtailment of the range or habitat of the species;

(2) any killing, harming, or over-utilization of the species for commercial, sporting, scientific, educational, or other purposes;

(3) disease or predation affecting the species;

(4) the adequacy of existing regulation;

(5) actions relating to the species carried out or about to be carried out by any governmental agency or any other person who may affect the species; ~~and~~

(6) competition with other species, including nonnative invasive species;

(7) the decline in the population;

(8) cumulative impacts; and

(9) other natural or ~~man-made~~ human-made factors affecting the continued existence of the species.

(e) In determining whether a species is ~~endangered or~~ threatened or endangered or whether to delist a species, the Secretary shall:

(1) use the best scientific, commercial, and other data available;

(2) at least 30 days prior to commencement of rulemaking, notify and consult with ~~interested state or~~ appropriate officials in Canada, appropriate State and federal agencies, other states having a common interest in the species, affected landowners, and any interested persons; and

(3) notify the ~~governor~~ appropriate officials and agencies of Quebec or any state contiguous to Vermont in which the species affected is known to occur.

Sec. 21. 10 V.S.A. § 5402a is added to read:

§ 5402a. CRITICAL HABITAT; LISTING

(a) Except as provided for under subsection (f) of this section, the Secretary may, after the consultation required under subsection 5408(e) of this section, adopt or amend by rule a critical habitat designation list for threatened or endangered species. Critical habitat may be designated in any part of the State. The Secretary shall not be required to designate critical habitat for every State-listed threatened or endangered species. When the Secretary designates critical habitat, the Secretary shall identify the species for which the designation is made, including its most recently accepted genus and species names, and, if available, its common name.

(b) The Secretary shall designate only critical habitat that meets the definition of "critical habitat" under this chapter. In determining whether and where to designate critical habitat for a State-listed threatened or endangered species, the Secretary shall, after consultation with and consideration of recommendations of the Secretary of Agriculture, Food and Markets, the Secretary of Transportation, the Secretary of Commerce and Community Development, and the Commissioner of Forests, Parks and Recreation, consider the following:

(1) the current or historic use of the habitat by the listed species;

(2) the extent to which the habitat is decisive to the survival and recovery of the listed species at any stage of its life cycle;

(3) the space necessary for individual and population growth of the listed species;

(4) food, water, air, light, minerals, or other nutritional or physiological requirements of the listed species;

(5) cover or shelter for the listed species;

(6) sites for breeding, reproduction, rearing of offspring, germination, or seed dispersal; migration corridors; and overwintering;

(7) the present or threatened destruction, degradation, fragmentation, modification, or curtailment of the range or habitat of the listed species;

(8) the adequacy of existing regulation;

(9) actions relating to the listed species carried out or about to be carried out by any governmental agency or any other person that may affect the listed species;

(10) cumulative impacts; and

(11) natural or human-made factors affecting the continued existence of the listed species.

(c) In determining whether to designate critical habitat for a State-listed threatened or endangered species, the Secretary shall:

(1) use the best scientific, commercial, and other data available;

(2) notify and consult with appropriate officials in Canada, appropriate State and federal agencies, other states having a common interest in the species, affected landowners, any municipality where the proposed designation is located, and any interested persons at least 60 days prior to commencement of rulemaking;

(3) notify the appropriate officials and agencies of Quebec and any state contiguous to Vermont in which the species affected is known to occur; and

(4) if a critical habitat designation is proposed in a growth center, new town center, or neighborhood development area designated under 24 V.S.A. chapter 76A, notify the Secretary of Commerce and Community Development and any municipality in which the designation is proposed.

(d) Prior to initiating rulemaking under this section to designate critical habitat, the Secretary shall notify the owner of record of any land on which critical habitat is proposed for designation. The Secretary shall make all reasonable efforts to work cooperatively with affected landowners.

(e) Where appropriate, the Secretary shall include well-established mitigation practices and best management practices in the critical habitat designation rule.

(f) The Secretary shall not designate critical habitat in a designated downtown or village center, designated under 24 V.S.A. chapter 76A.

Sec. 22. 10 V.S.A. § 5403 is amended to read:

§ 5403. PROTECTION OF ENDANGERED AND THREATENED SPECIES

(a) Except as authorized under this chapter, a person shall not:

(1) take, possess, or transport wildlife or wild plants that are members of ~~an endangered or~~ a threatened or endangered species; or

(2) destroy or adversely impact critical habitat.

(b) Any person who takes a threatened or endangered species shall report the taking to the Secretary.

(c) The Secretary may, with advice of the Endangered Species Committee and after the consultation required under subsection 5408(e) of this section, adopt rules for the protection ~~and~~, conservation, or recovery of endangered and threatened species. The rules may establish application requirements for an individual permit or general permits issued under this section, including requirements that differ from the requirements of subsection 5408(h) of this title.

~~(c)~~(d) The Secretary may bring ~~a civil~~ an environmental enforcement action against any person who violates subsection (a) or (b) of this section or rules adopted under this chapter in accordance with chapters 201 and 211 of this title.

~~(d)~~(e) Instead of bringing ~~a civil~~ an environmental enforcement action for a violation of this chapter or rules adopted under this chapter, the Secretary may refer violations of this chapter to the Commissioner of Fish and Wildlife for criminal enforcement.

~~(e)~~(f) ~~A~~ In a criminal enforcement action, a person who knowingly violates a requirement of this chapter or a rule of the Secretary adopted under subsection ~~(b)~~(c) of this section related to taking, possessing, transporting, buying, or selling a threatened or endangered species shall be fined ~~not more than $500.00~~ in accordance with section 4518 of this title, and the person shall pay restitution under section 4514 of this title.

~~(f)~~(g) Any person who violates subsection (a) or (b) of this section by knowingly injuring a member of a threatened or endangered species or knowingly destroying or adversely impacting critical habitat and who is subject to criminal prosecution may be required by the court to pay restitution for:

(1) actual costs and related expenses incurred in treating and caring for the injured plant or animal to the person incurring these expenses, including the costs of veterinarian services and Agency of Natural Resources staff time; or

(2) reasonable mitigation and restoration costs such as: species restoration plans; habitat protection; and enhancement, transplanting, cultivation, and propagation ~~for plants~~.

Sec. 23. 10 V.S.A. § 5404 is amended to read:

§ 5404. ENDANGERED SPECIES COMMITTEE

(a) A ~~Committee~~ committee on endangered species is created to be known as the "Endangered Species Committee," and shall consist of nine members, including the Secretary of Agriculture, Food and Markets, the Commissioner of Fish and Wildlife, the Commissioner of Forests, Parks and Recreation, and six members appointed by the Governor from the public at large. Of the six public members, two shall be actively engaged in agricultural or silvicultural activities, two shall be knowledgeable concerning flora, and two shall be knowledgeable concerning fauna. Members appointed by the Governor shall be entitled to reimbursement for expenses incurred in the attendance of meetings, as approved by the Chair. The Chair of the Committee shall be elected from among and by the members each year. Members who are not employees of the State shall serve terms of three years, except that the Governor may make appointments for a lesser term in order to prevent more than two terms from expiring in any year.

(b) The Endangered Species Committee shall advise the Secretary on all matters relating to endangered and threatened species, including whether to alter the lists of endangered and threatened species ~~and~~, how to protect those species, and whether and where to designate critical habitat.

(c) The Agency of Natural Resources shall provide the Endangered Species Committee with necessary staff services.

Sec. 24. 10 V.S.A. § 5405 is amended to read:

§ 5405. CONSERVATION PROGRAMS

The Secretary, with the advice of the Endangered Species Committee, may establish conservation programs and establish recovery plans for the

conservation or recovery of threatened or endangered species of wildlife or plants or for the conservation or recovery of critical habitat. The programs may include the purchase of land or aquatic habitat and the formation of contracts for the purpose of management of wildlife or wild plant refuge areas or for other purposes.

Sec. 25. 10 V.S.A. § 5406 is amended to read:

§ 5406. COOPERATION BY OTHER AGENCIES

All agencies of this State shall review programs administered by them which may relate to this chapter and shall, in consultation with the Secretary, utilize their authorities only in a manner which does not jeopardize the threatened or endangered species, critical habitat, or the outcomes of conservation or recovery programs established by this chapter or by the Secretary under ~~its~~ his or her authority.

Sec. 26. 10 V.S.A. § 5407 is amended to read:

§ 5407. ~~ENFORCEMENT~~ AUTHORITY TO SEIZE THREATENED OR ENDANGERED SPECIES

In addition to other methods of enforcement authorized by law, the Secretary may direct under this section that wildlife or wild plants ~~which~~ that were seized because of violation of this chapter be rehabilitated, released, replanted, or transferred to a zoological, botanical, educational or scientific institution, and that the costs of the transfer and staff time related to a violation may be charged to the violator. The Secretary, with the advice of the Endangered Species Committee, may adopt rules for the implementation of this section.

Sec. 27. 10 V.S.A. § 5408 is amended to read:

§ 5408. ~~LIMITATIONS~~ AUTHORIZED TAKINGS; INCIDENTAL TAKINGS; DESTRUCTION OF CRITICAL HABITAT

(a) Authorized taking. Notwithstanding any provision of this chapter, after obtaining the advice of the Endangered Species Committee, the Secretary may permit, under such terms and conditions as the Secretary may~~, prescribe by rule,~~ require as necessary to carry out the purposes of this chapter, the taking of a threatened or endangered species, the destruction of or adverse impact on critical habitat, or any act otherwise prohibited by this chapter if done for any of the following purposes:

(1) scientific purposes;

(2) to enhance the propagation or survival of a threatened or endangered species; ~~economic hardship;~~

(3) zoological exhibition;

(4) educational purposes;

(5) noncommercial cultural or ceremonial purposes; or

(6) special purposes consistent with the purposes of the federal Endangered Species Act.

(b) Incidental taking. After obtaining the advice of the Endangered Species Committee, the Secretary may permit, under such terms and conditions as necessary to carry out the purposes of this chapter, the incidental taking of a threatened or endangered species or the destruction of or adverse impact on critical habitat if:

(1) the taking is necessary to conduct an otherwise lawful activity;

(2) the taking is attendant or secondary to, and not the purpose of, the lawful activity;

(3) the impact of the permitted incidental take is minimized; and

(4) the incidental taking will not impair the conservation or recovery of any endangered species or threatened species.

(c) Transport through State. Nothing in this chapter shall prevent a person who holds a proper permit from the federal government or any other state from transporting a member of ~~an endangered or~~ a threatened or endangered species from a point outside this State ~~to another point within or without this~~ through the State.

~~(c)~~(d) Possession. Nothing in this chapter shall prevent a person from possessing in this State wildlife or wild plants which are not determined to be "endangered" or "threatened" under the federal Endangered Species Act where the possessor is able to produce substantial evidence that the wildlife or wild plant was first taken or obtained in a place without violating the law of that place, provided that an importation permit may be required under section 4714 of this title or the rules of the Department of Fish and Wildlife.

~~(d)~~(e) Interference with agricultural or silvicultural practices. No rule adopted under this chapter shall cause undue interference with ~~normal agricultural or~~ farming, forestry operations, or accepted silvicultural practices. This section shall not be construed to exempt any person from the provisions of the ~~federal Endangered Species Act~~ requirements of this chapter. The Secretary shall not adopt rules that affect farming, forestry operations, or accepted silvicultural practices without first consulting the Secretary of Agriculture, Food and Markets and the Commissioner of Forests, Parks and Recreation.

(f) Consistency with State law. Nothing in this chapter shall be interpreted to limit or amend the definitions and applications of necessary habitat in chapter 151 of this title or in 30 V.S.A. chapter 5.

~~(e)~~(g) Effect on federal law. Nothing in this section permits a person to violate any provision of federal law concerning federally protected threatened or endangered species.

(h) Permit application. An applicant for a permit under this section shall submit an application to the Secretary that includes the following information:

(1) a description of the activities that could lead to a taking of a listed threatened or endangered species or the destruction of or adverse impact on critical habitat;

(2) the steps that the applicant has or will take to avoid, minimize, and mitigate the impact to the relevant threatened or endangered species or critical habitat;

(3) a plan for ensuring that funding is available to conduct any required monitoring and mitigation, if applicable;

(4) a summary of the alternative actions to the taking or destruction of critical habitat that the applicant considered and the reasons that these alternatives were not selected, if applicable;

(5) the name or names and obligations and responsibilities of the person or persons that will be involved in the proposed taking or destruction of critical habitat; and

(6) any additional information that the Secretary may require.

~~(f)~~(i) Permit fees.

(1) Fees to be charged to a person applying to take a threatened or endangered species under this section shall be:

(A) ~~To~~ to take for scientific purposes, to enhance the propagation or survival of the species, noncommercial cultural or ceremonial purposes, or for educational purposes or special purposes consistent with the federal Endangered Species Act, $50.00~~.~~;

(B) ~~To~~ to take for a zoological or botanical exhibition ~~or to lessen an economic hardship~~, $250.00 for each listed ~~animal or plant~~ wildlife or wild plant taken up to a maximum of $25,000.00 ~~or, if the Secretary determines that it is in the best interest of the species, the parties may agree to mitigation in lieu of a monetary fee~~; and

(C) for an incidental taking, $250.00 for each listed wildlife or wild plant taken up to a maximum of $25,000.00.

(2) The Secretary may require the implementation of mitigation strategies and may collect mitigation funds, in addition to the permit fees, in order to mitigate the impacts of a taking or the destruction of or adverse impact on critical habitat. Mitigation may include:

(A) a requirement to rectify the taking or adverse impact or to reduce the adverse impact over time;

(B) a requirement to manage or restore land within the area of the proposed activity or in an area outside the proposed area as habitat for the threatened or endangered species;

(C) compensation, including payment into the Threatened and Endangered Species Fund for the uses of that Fund, provided that any payment is commensurate with the taking or adverse impact proposed; or

(3) Fees ~~or~~ and mitigation payments collected under this subsection and interest on fees and mitigation payments shall be deposited in the Threatened and Endangered Species Fund ~~within the Fish and Wildlife Fund, which Fund is hereby created~~ and shall be used solely for expenditures of the Department of Fish and Wildlife related to threatened and endangered species. Expenditures may be made for monitoring, restoration, conservation, recovery, and the acquisition of property interests and other purposes consistent with this chapter. Where practical, the fees collected for takings shall be devoted to the conservation or recovery of the taken species or its habitat. Interest accrued on the Fund shall be credited to the Fund.

~~(g)~~(j) Permit term. A permit issued under this section shall be valid for the period of time specified in the permit, not to exceed five years. A permit issued under this section may be renewed upon application to the Secretary.

(k) Public notice. Prior to issuing a permit for an incidental taking and prior to the initial issuance or amendment of a general permit under this section, the Secretary shall provide for: public notice of no fewer than 30 days; opportunity for written comment; and opportunity to request a public informational hearing. The Secretary shall post permit applications, permit decisions, and the initial or amended general permits on the website of the Agency of Natural Resources. The Secretary also shall provide notice to interested persons who request notice of permit applications, permit decisions, and proposed general permits or proposed amendments to general permits.

(l) General permits.

(1) The Secretary may issue general permits for activities that will not affect the continued survival or recovery of a threatened or endangered species.

(2) A general permit issued under this chapter shall contain those terms and conditions necessary to ensure compliance with the provisions of this statute.

(3) These terms and conditions may include the implementation of best management practices and the adoption of specific mitigation measures and required surveying, monitoring, and reporting.

(4) The Secretary may issue a general permit to take a threatened or endangered species or destroy or adversely impact critical habitat only if an activity or class of activities satisfies one or more of the following criteria:

(A) the taking of a threatened or endangered species or the destruction of or adverse impact on critical habitat is necessary to address an imminent risk to human health;

(B) a proposed taking of a threatened or endangered species or the destruction of or adverse impact on critical habitat would enhance the overall long-term survival of the species; or

(C) the Secretary has approved best management practices that are designed, when applied, to minimize to the greatest extent possible the taking of a threatened or endangered species or the destruction of or adverse impact on critical habitat.

(5) On or before September 1, 2017, the Secretary shall issue a general permit for vegetation management and operational and maintenance activities conducted by a utility. The general permit shall have a five-year term. A one-time application for coverage by a utility shall be made for activities authorized by the general permit, and coverage under the general permit shall be for the term of the general permit. Until the general permit has been issued, no critical habitat designation for wild plants shall be made in utility right-of-way. As used in this subdivision (5), "utility" means an electric company, telecommunication company, pipeline operator, or railroad company.

(6) Prior to issuing an initial or amended general permit under this subsection, the Secretary shall:

(A) post a draft of the general permit on the Agency website;

(B) provide public notice of at least 30 days; and

(C) provide for written comments or a public hearing, or both.

(7) For applications for coverage under the terms of an issued general permit, the applicant shall provide notice on a form provided by the Secretary. The Secretary shall post notice of the application on the Agency website and

shall provide an opportunity for written comment, regarding whether the application complies with the terms and conditions of the general permit, for ten days following receipt of the application.

(8) The Secretary may require any applicant for coverage under a general permit to submit additional information that the Secretary considers necessary and may refuse to approve coverage under the terms of a general permit until the information is furnished and evaluated.

(9) The Secretary may require any applicant for coverage under a general permit to seek an individual permit under this section if the applicant does not qualify for coverage.

(10) The Secretary may require a person operating under a general permit issued under this section to obtain an individual permit under this section if the person proposes to destroy or adversely impact critical habitat that was designated under section 5402a of this title after issuance of the general permit, unless existing best management practices approved under the general permit adequately protect the critical habitat or have been amended to do so prior to the critical habitat designation pursuant to section 5402a of this title.

Sec. 28. 10 V.S.A. § 5410 is amended to read:

§ 5410. LOCATION CONFIDENTIAL

(a) ~~All information~~ The Secretary shall not disclose information regarding the specific location of threatened or endangered species sites ~~shall be kept confidential in perpetuity~~ except that the Secretary shall disclose ~~this~~ information ~~to~~ regarding the location of the threatened or endangered species to:

(1) the owner of land upon which the species ~~has been~~ is located~~, or to~~;

(2) a potential buyer of land upon which the species is located who has a bona fide contract to buy the land and applies to the Secretary for disclosure of threatened or endangered species information~~, and to~~; or

(3) qualified individuals or organizations, public agencies and nonprofit organizations for scientific research or for preservation and planning purposes when the Secretary determines that the preservation of the species is not further endangered by the disclosure.

(b) When the Secretary issues a permit under this chapter to take a threatened or endangered species or destroy or adversely impact critical habitat and when the Secretary designates critical habitat by rule under section 5402a of this title, the Secretary shall disclose only the municipality and general location where the threatened or endangered species or designated critical

habitat is located. When the Secretary designates critical habitat under section 5402a of this title, the Secretary shall notify the municipality in which the critical habitat is located and shall disclose the general location of the designated critical habitat.

Sec. 29. STATUTORY REVISION

The Office of Legislative Council, in its statutory revision capacity, is directed to renumber the subdivisions of 10 V.S.A. § 5401 in numerical and alphabetical order and to correct any cross-references in statute to 10 V.S.A. § 5401 to reflect the renumbered subdivisions.

Sec. 30. FEE RECOMMENDATION; PERMIT TO DESTROY OR ADVERSELY IMPACT CRITICAL HABITAT

The consolidated Executive Branch fee report and request to be submitted on or before the third Tuesday of January 2018 pursuant to 32 V.S.A. § 605 shall include a recommendation from the Agency of Natural Resources of a fee for a permit under 10 V.S.A. § 5408 to destroy or adversely impact critical habitat of a State-listed threatened or endangered species. The recommendation shall include whether the owner of property where critical habitat is designated under 10 V.S.A. § 5402a should be required to pay a fee for a permit to destroy or adversely impact critical habitat on his or her property.

Sec. 31. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

(a) No person shall sell or offer for sale any interest in any subdivision located in this State, or commence construction on a subdivision or development, or commence development without a permit. This section shall not prohibit the sale, mortgage, or transfer of all, or an undivided interest in all, of a subdivision unless the sale, mortgage, or transfer is accomplished to circumvent the purposes of this chapter.

* * *

(w)(1) A permit or permit amendment shall not be required for a change to a sport shooting range, as defined in section 5227 of this title, if a jurisdictional opinion issued under subsection 6007(c) of this title determines that each of the following applies:

(A) The range was in operation before January 1, 2006 and has been operating since that date.

(B) The change is for the purpose of one or more of the following:

(i) To improve the safety of range employees, users of the range, or the public.

(ii) To abate noise from activities at the range. A qualified noise abatement professional may certify that a change in a sport shooting range is for this purpose and this certification shall be conclusive evidence that a purpose of the change is to abate noise from activities at the range.

(iii) To remediate, mitigate, or reduce impacts to air or water quality from the range or the deposit or disposal of waste generated by the range or its use, provided that the range has an environmental stewardship plan approved by the Department of Environmental Conservation, in accordance with chapter 159 of this title.

(2) Obtaining a certification described in subdivision (1)(B)(ii) of this subsection shall be at the option of the range's owner.

Sec. 32. EFFECTIVE DATES

This act shall take effect on July 1, 2016, except that Secs. 1 (regulation of fish), 2 (commercial sale of fish), and 3 (importation and stocking of fish) shall take effect on January 1, 2017.

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

Senator Degree, 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, and the proposal of amendment recommended by the Committee on Natural Resources and Energy was agreed to.

Thereupon, pending the question, Shall the bill be read the third time? Senator Rodgers moved to amend the Senate proposal of amendment in Sec. 31, 10 V.S.A. § 6081, by striking out subdivision (w)(1)(B) in its entirety and inserting in lieu thereof the following:

(B) The range has a lead management plan approved by the Department of Environmental Conservation under chapters 47 and 159 of this title that requires implementation of best management practices to mitigate environmental impacts to soil and water.

(C) The change is for the purpose of one or more of the following:

(i) To improve the safety of range employees, users of the range, or the public.

(ii) To abate noise from activities at the range. A qualified noise abatement professional may certify that a change in a sport shooting range is for this purpose and this certification shall be conclusive evidence that a purpose of the change is to abate noise from activities at the range.

(iii) To remediate, mitigate, or reduce impacts to air or water quality from the range or the deposit or disposal of waste generated by the range or its use.

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Rules Suspended; House Proposal of Amendment Concurred In

S. 66.

Appearing on the Calendar for notice, on motion of Senator White, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to persons who are deaf, DeafBlind, or hard of hearing.

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. 33 V.S.A. chapter 16 is added to read:

CHAPTER 16. VERMONT DEAF, HARD OF HEARING, AND DEAFBLIND ADVISORY COUNCIL

§ 1601. DEFINITIONS

As used in this chapter:

(1) "Communication or language mode" means verbal or nonverbal communication that includes listening, speaking, American Sign Language (ASL), Signed English, Signed Support, reading, and writing in all domains of a language. Reference to the communication mode of individuals who are Deaf, Hard of Hearing, or DeafBlind distinguishes between modality and language. Systems that assist individuals using a particular modality or language include ASL, spoken English, signed English, sign-supported speech, speech or lip reading, cued speech, and assistive technology.

(2) "Deaf" means having a severe or complete absence of auditory sensitivity that impairs processing of linguistic information through hearing, with or without amplification or cochlear implants. Participation in Deaf Community culture and use of ASL are characteristic of persons who identify as Deaf.

(3) "DeafBlind" means having concomitant hearing and visual impairments.

(4) "Department" means the Department of Disabilities, Aging, and Independent Living.

(5) "Hard of Hearing" means a reduced level of functional hearing and reliance on residual hearing and technology, including hearing aids, cochlear implants, FM listening systems, and other types of assistive listening devices to communicate via verbal language, with or without use of ASL.

§ 1602. VERMONT DEAF, HARD OF HEARING, AND DEAFBLIND ADVISORY COUNCIL

(a) Creation; purpose. There is created a Vermont Deaf, Hard of Hearing, and DeafBlind Advisory Council to promote diversity, equality, awareness, and access among individuals who are Deaf, Hard of Hearing, or DeafBlind.

(b) Membership. The Advisory Council shall consist of the following members:

(1) sixteen members of the public, appointed by the Governor in a manner that ensures geographically diverse membership, including:

(A) nine or fewer members who are Deaf, Hard of Hearing, or DeafBlind provided each population is represented and that if a member represents an organization for persons who are Deaf, Hard of Hearing, or DeafBlind no other member on the Advisory Council shall also represent that organization;

(B) two members who are each a parent or guardian of a child who is Deaf, Hard of Hearing, or DeafBlind;

(C) two members who serve persons who are Deaf, Hard of Hearing, or DeafBlind in a professional capacity, provided that these members do not represent the same organization;

(D) a professional deaf-education specialist who understands all communication and language modes;

(E) a professional interpreter; and

(F) an audiologist or hard-of-hearing education specialist;

(2) the Senior Counselor for the Deaf and Hard of Hearing in the Department's Division of Vocational Rehabilitation or designee;

(3) the Secretary of Education or designee;

(4) the Secretary of Human Services or designee;

(5) the director of the Department for Children and Families' Children's Integrated Services or designee;

(6) the director of the Vermont Early Detection and Intervention Project;

(7) a representative of the Vermont Association of the Deaf;

(8) a superintendent, selected by the Vermont Superintendents Association; and

(9) a special education administrator, selected by the Vermont Council of Special Education Administrators.

(c) Powers and duties.

(1) The Advisory Council shall assess the services, resources, and opportunities available to children in the State who are Deaf, Hard of Hearing, or DeafBlind. It may consider and make recommendations to the General Assembly and the Governor on the following:

(A) the educational rights of children who are Deaf, Hard of Hearing, or DeafBlind, including full communication and language access in all educational environments and accessibility of qualified teachers, interpreters, and paraprofessionals;

(B) appropriate and ongoing educational opportunities that recognize each child's unique learning needs, including access to a sufficient number of communication or language mode peers and exposure to adult role models who are Deaf, Hard of Hearing, or DeafBlind;

(C) adequate family supports that promote both early development of communication skills and informed participation by parents and guardians in the education of their children;

(D) identification of all losses of or reductions in services arising from the closures of the Austine School for the Deaf and the Vermont Center for the Deaf and Hard of Hearing and evaluation of the adequacy of existing services and resources, as well as identification of those resources not currently available, adequate, or accessible to children;

(E) opportunities to restore and expand educational opportunities to children in the State who are Deaf, Hard of Hearing, or DeafBlind and their families; and

(F) appropriate data collection and reporting requirements concerning students with disabilities.

(2) The Advisory Council shall assess the services, resources, and opportunities available to adults and elders in the State who are Deaf, Hard of

Hearing, or DeafBlind. It may consider and make recommendations to the General Assembly and the Governor on the following:

(A) the needs of and opportunities for adults and elders within the State who are Deaf, Hard of Hearing, or DeafBlind and their families;

(B) the adequacy and systemic coordination of existing services and resources for adults and elders throughout the State who are Deaf, Hard of Hearing, or DeafBlind and their families;

(C) proposed legislation and administrative rules pertaining to adults and elders who are Deaf, Hard of Hearing, or DeafBlind; and

(D) delivery models in other states as a point of comparison for the adequacy and systemic coordination of Vermont's existing services and resources for adults and elders who are Deaf, Hard of Hearing, or DeafBlind.

(d) Assistance. The Advisory Council shall have the administrative, technical, and legal assistance of the Agencies of Education and of Human Services. The Advisory Council and Department may consult with national experts on education of persons who are Deaf, Hard of Hearing, or DeafBlind as necessary to fulfill their obligations under this section.

(e) Reports. On or before January 15 of each year, notwithstanding 2 V.S.A. § 20(d), the Advisory Council shall submit a written report to the Senate and House Committees on Education, the Senate Committee on Health and Welfare, the House Committee on Human Services, and the Governor with any findings and recommendations. A reading of each report shall be video recorded using ASL to ensure accessibility.

(f) Appointments; meetings.

(1) The Commissioner of Disabilities, Aging, and Independent Living shall convene the first meeting of the Advisory Council on or before July 1, 2016 and shall select interpreting services, computer assisted captioning in real time (CART), or FM listening system for the meeting if a member so requests.

(2) At its first meeting, the Advisory Council shall elect a chair and vice chair.

(3) The Chair shall select interpreting services, CART, or FM listening system for any Advisory Council meeting if a member so requests.

(4) The Advisory Council may meet up to eight times each year to perform its functions under this section. The Secretaries of Education and of Human Services may jointly authorize additional meetings.

(5) The Advisory Council may organize its members into subcommittees to carry out the purposes of this section, including

subcommittees designed to address specific age groups within the Deaf, Hard of Hearing, and DeafBlind population.

(g) Reimbursement.

(1) Members of the Advisory Council who are not State employees or otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010, payable by the Department.

(2) The Agency of Human Services shall pay for interpreting services, CART, or FM listening systems necessary to conduct all Advisory Council meetings.

(3) The Agency of Education, Department of Health, and Department of Disabilities, Aging, and Independent Living shall share costs for interpreting services, CART, or FM listening systems necessary to conduct all Advisory Council subcommittee meetings.

Sec. 2. INTERPRETERS; PROFESSIONAL REGULATION

On or before January 15, 2017, the Vermont Deaf, Hard of Hearing, and DeafBlind Advisory Council shall submit a report to the House Committees on Government Operations and on Human Services and to the Senate Committees on Government Operations and on Health and Welfare regarding its findings and recommendations for legislative action pertaining to the regulation of interpreters by the Secretary of State's Office of Professional Regulation.

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.

Committee of Conference Appointed

S. 114.

An act relating to the Open Meeting Law.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Pollina
Senator Benning
Senator Collamore

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. 174.

An act relating to a model State policy for use of body cameras by law enforcement officers.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Nitka
Senator White
Senator Benning

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

H. 622.

An act relating to obligations for reporting child abuse and neglect and cooperating in investigations of child abuse and neglect.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Lyons
Senator McCormack
Senator Collamore

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

H. 84.

An act relating to Internet dating services.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Mullin
Senator Baruth
Senator Balint

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

H. 872.

An act relating to Executive Branch fees.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator MacDonald
Senator Mullin
Senator Sirotkin

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

H. 875.

An act relating to making appropriations for the support of government.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Kitchel
Senator Sears
Senator Westman

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Message from the House No. 59

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 20. An act relating to establishing and regulating dental therapists.

S. 132. An act relating to the prohibition of conversion therapy on minors.

S. 224. An act relating to warranty obligations of equipment dealers and suppliers.

S. 255. An act relating to regulation of hospitals, health insurers, and managed care organizations.

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. 53. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

The House has considered Senate proposals of amendment to the following House bills:

H. 249. An act relating to intermunicipal services.

H. 854. An act relating to timber trespass.

H. 860. An act relating to on-farm livestock slaughter.

H. 861. An act relating to regulation of treated article pesticides.

And has severally concurred therein.

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

H. 512. An act relating to adequate shelter of dogs and cats.

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. 761. An act relating to cataloguing and aligning health care performance measures.

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 entitled:

H. 873. An act relating to making 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. Donovan of Burlington
Rep. Masland of Thetford

The Speaker announced a change in the members on the part of the House of Representatives of the Committee of Conference upon the disagreeing votes of the two houses on House bill of the following title:

H. 872 An act relating to Executive Branch fees.

Rep. Ancel of Calais
Rep. Branagan of Georgia
Rep. Clarkson of Woodstock

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock in the afternoon on Thursday, April 28, 2016.

THURSDAY, APRIL 28, 2016

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Passed in Concurrence

H. 111.

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

An act relating to the removal of grievance decisions from the Vermont Labor Relations Board's website.

Bill Passed in Concurrence with Proposal of Amendment

H. 570.

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

An act relating to hunting, fishing, and trapping.

Third Reading Ordered

H. 308.

Senator Flory, for the Committee on Transportation, to which was referred House bill entitled:

An act relating to limiting the liability of VAST arising from snowmobile operation outside the Statewide Snowmobile Trail System.

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.

Proposal of Amendment; Third Reading Ordered

H. 876.

Senator Mazza, for the Committee on Transportation, to which was referred House bill entitled:

An act relating to the transportation capital program and miscellaneous changes to transportation-related 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:

* * * Adoption of Proposed Transportation Program as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's proposed fiscal year 2017 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2017 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Secretary" means the Secretary of Transportation.

(3) The table heading "As Proposed" means the Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; and the term "change" or "changes" in the text refers to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading.

(4) "TIB funds" or "TIB" refers to monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

* * * Appropriation of Transportation Funds * * *

Sec. 2. 19 V.S.A. § 11a is amended to read:

§ 11a. TRANSPORTATION FUNDS APPROPRIATED FOR THE DEPARTMENT OF PUBLIC SAFETY

(a) No transportation funds shall be appropriated for the support of government other than for the Agency, the Board, Transportation Pay Act Funds, construction of transportation capital facilities, transportation debt service, the operation of information centers by the Department of Buildings and General Services, and the Department of Public Safety. The amount of transportation funds appropriated to the Department of Public Safety shall not exceed:

(1) $25,250,000.00 in fiscal year 2014;

(2) $22,750,000.00 in fiscal years 2015 and 2016; and

(3) ~~$20,250,000.00~~ $21,550,000.00 in fiscal year 2017; and ~~in succeeding fiscal years~~

(4) $20,250,000.00 in fiscal year 2018 and in succeeding fiscal years.

(b) In fiscal year 2017 and in succeeding fiscal years, of the funds appropriated to the Department of Public Safety pursuant to subsection (a) of this section, the amount of $2,100,000.00 is allocated exclusively for the purchase, outfitting, assignment, and disposal of State Police vehicles. Any unexpended and unencumbered funds remaining in this allocation at the close of a fiscal year shall revert to the Transportation Fund. The Department of Public Safety may periodically recommend to the General Assembly that this allocation be adjusted to reflect market conditions for the vehicles and equipment.

* * * Program Development Program * * *

Sec. 2a. PROGRAM DEVELOPMENT; SPENDING AUTHORITY

(a) Reduction in spending authority. Spending authority in the Program Development Program within the fiscal year 2017 Transportation Program hereby is reduced by:

(1) $1,507,836.00 in transportation funds;

(2) $86,204.00 in TIB funds;

(3) $6,376,160.00 in federal funds.

(b) Selection of projects; notification of delays. In his or her discretion, the Secretary shall select the projects for which spending will be reduced under subsection (a) of this section. In exercising his or her discretion, the Secretary

shall not delay a project that otherwise would proceed in fiscal year 2017, unless the full amount of the reduction cannot be achieved from cost savings or the delay of projects due to unforeseen circumstances. If a project that otherwise would have proceeded in fiscal year 2017 is delayed, the Secretary shall promptly notify:

(1) the House and Senate Committees on Transportation when the General Assembly is in session; or

(2) the Joint Transportation Oversight Committee and the Joint Fiscal Office when the General Assembly is not in session.

(c) Contingent restoration of spending authority.

(1) As used in this subsection:

(A) "Transportation Fund balance" means a positive balance of unreserved monies remaining in the Transportation Fund at the end of fiscal year 2016.

(B) "TIB Fund balance" means a positive balance of unreserved monies remaining in the Transportation Infrastructure Bond Fund at the end of fiscal year 2016.

(2) Subject to the funding of the Transportation Fund Stabilization Reserve in accordance with 32 V.S.A. § 308a and to the limitations of 19 V.S.A. § 11f (Transportation Infrastructure Bond Fund), and notwithstanding 32 V.S.A. § 308c (Transportation Fund Balance Reserve), if a Transportation Fund balance, TIB Fund balance, or balance in both funds exists at the end of fiscal year 2016, spending authority reduced in subsection (a) of this section in the fiscal year 2017 Program Development Program shall be restored to the extent of the balance or balances, up to a total of $1,594,040.00 in Transportation Funds or TIB funds, and by up to $6,376,160.00 in matching federal funds.

Sec. 2b. PROGRAM DEVELOPMENT; ALLOCATION FOR EDUCATION INITIATIVES

Within authorized spending in the Program Development Program, the Secretary shall allocate up to $100,000.00 in federal National Highway Transportation Safety Administration grant funds to the Share the Road Program and to other highway safety educational initiatives. These monies shall be used to educate the users of the State's transportation system on how to improve the safety of all users, including bicyclists and operators of motor vehicles.

* * * Roadway Program * * *

Sec. 3. ROADWAY PROGRAM; PROJECT CANCELLATION

Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project from the candidate list within the Roadway Program within the fiscal year 2017 Transportation Program: Colchester STP 0207( ).

* * * Traffic and Safety Program * * *

Sec. 4. TRAFFIC AND SAFETY PROGRAM; PROJECTS ADDED

The following projects are added to the candidate list of the Traffic and Safety Program within the fiscal year 2017 Transportation Program:

(1) Derby – US 5/I-91 Exit 28 – intersection improvements.

(2) Derby – US 5/VT 105 – intersection improvements.

(3) St. Albans – VT 104/I-89 Exit 19 – intersection improvements.

* * * Bike and Pedestrian Program; Lamoille Valley Rail Trail * * *

Sec. 5. BIKE AND PEDESTRIAN FACILITIES PROGRAM; LAMOILLE VALLEY RAIL TRAIL

(a)(1) The Bike and Pedestrian Facilities Program within the fiscal year 2017 Transportation Program is amended to add a project for the rehabilitation or replacement of structures, permitting activities, engineering services, and trail construction related to development of the State-owned Lamoille Valley Rail Trail (LVRT). The project shall be funded with:

(A) monies raised by the Vermont Association of Snow Travelers (VAST) before January 1, 2017; plus

(B) up to $400,000.00 of State transportation funds or eligible federal funds, or both, to match each dollar raised by VAST.

(2) Any matching funds shall be identified by the Secretary from some combination of:

(A) the unanticipated delay of projects approved in the fiscal year 2017 Bike and Pedestrian Facilities Program;

(B) cost savings on projects approved in the fiscal year 2017 Bike and Pedestrian Facilities Program;

(C) Statewide New Awards—Federal Aid Construction Projects grant money authorized in the fiscal year 2017 Bike and Pedestrian Facilities Program.

(b) In its fiscal year 2018 Transportation Program proposal, the Agency shall include a project within the Bike and Pedestrian Facilities Program for the rehabilitation or replacement of structures, permitting activities, engineering services, and trail construction related to development of the LVRT. The project shall be funded with:

(1) monies raised by the Vermont Association of Snow Travelers (VAST) from January 1, 2017 to January 1, 2018; plus

(2) up to $1,000,000.00 of State transportation funds or eligible federal funds, or both, to match each dollar raised by VAST.

* * * Municipal Mitigation Grant Program * * *

Sec. 6. MUNICIPAL MITIGATION GRANT PROGRAM

Notwithstanding 2015 Acts and Resolves No. 40, Sec. 21a, funding sources for the fiscal year 2017 Municipal Mitigation Grant Program are amended as follows:

FY17	As Proposed	As Amended	Change
State	1,440,000	1,240,000	-200,000
Federal	0	200,000	200,000
Clean Water Fund	1,465,000	1,465,000	0
Total	2,905,000	2,905,000	0

* * * Central Garage * * *

Sec. 7. TRANSFER TO CENTRAL GARAGE FUND

Notwithstanding 19 V.S.A. § 13(c), in fiscal year 2017, the amount of $1,283,215.00 is transferred from the Transportation Fund to the Central Garage Fund created in 19 V.S.A. § 13.

* * * Positions * * *

Sec. 8. POSITIONS

(a) The Agency is authorized to establish two (2) new permanent classified positions related to water quality improvements.

(b) Seven (7) of the twenty-one (21) limited service positions authorized in 2012 Acts and Resolves No. 75, Sec. 87(e), as amended by 2014 Acts and Resolves No. 95, Sec. 64, hereby are converted to permanent classified positions.

(c) Nine (9) of the seventeen (17) limited service positions authorized in 2012 Acts and Resolves No. 153, Sec. 21(a), as amended by 2014 Acts and Resolves No. 95, Sec. 65, hereby are converted to permanent classified positions.

(d) One (1) limited service position, number 861864 (Civil Engineer VII), created on May 6, 2012 and due to expire on December 31, 2016, hereby is converted to a permanent classified position.

(e) Three (3) of the seventeen (17) limited service positions authorized in 2012 Acts and Resolves No. 153, Sec. 21(a), as amended by 2014 Acts and Resolves No. 95, Sec. 65, hereby are extended to June 30, 2019. The Agency may use these three positions for activities that are not related to the response to Tropical Storm Irene and the spring 2011 flooding.

(f) The following two (2) limited service positions hereby are extended through June 30, 2019: number 861837 (Administrative Services Coordinator I), created on March 11, 2012 and due to expire on June 30, 2016, and number 861865 (Civil Engineer I), created on May 6, 2012 and due to expire on December 31, 2016.

* * * Rail Program * * *

Sec. 9. FISCAL YEAR 2016 RAIL PROGRAM; PROJECT ADDED

The following project is added to the candidate list of the Rail Program within the fiscal year 2016 Transportation Program: Rutland – Burlington – TIGERVII ( ) (Western VT Freight–Passenger Rail).

* * * Sale of State-Owned Railroad Property * * *

Sec. 10. APPROVAL OF SALE OF STATE-OWNED RAILROAD PROPERTY

Upon receiving satisfactory evidence of release of the leasehold interest of Vermont Railway, Inc., the Secretary as agent for the State is authorized to convey to the Town of Bennington, in consideration of the sum of $1.00, a parcel of land of approximately 2.5 acres (the "property") in the Town of Bennington located south of River Street and west of the 150 Depot Street parcel now or formerly owned by Station Realty, LLC. The conveyance must require that the Town's interest automatically will terminate in the event the property ceases to be used for public purposes, in which event the property will revert to the State. However, the Secretary and the Town may enter into a boundary adjustment agreement with the owner of the 150 Depot Street parcel in order to cure any title defect that may exist, and the Secretary as agent for the State may disclaim any reversionary interest in the boundary adjustment area.

* * * Rail Trespassing * * *

Sec. 11. 5 V.S.A. § 3734 is amended to read:

§ 3734. TRESPASS ON RAILROAD PROPERTY; PENALTY

~~A person who, without right, loiters or remains in a depot, or upon the platform, approaches, or grounds adjacent thereto, after being requested to leave by a railroad policeman, sheriff, deputy sheriff, constable, or policeman, shall be fined not more than $20.00 nor less than $2.00.~~

(a) Definitions. As used in this section:

(1) "Passenger" means a person traveling by train with lawful authority and who does not participate in the train's operation. The term "passenger" does not include a stowaway.

(2) "Railroad" means any form of nonhighway ground transportation that runs on rails or electromagnetic guideways. "Railroad" does not include rapid transit operations in an urban area that are not connected to the general railroad system of transportation.

(3) "Railroad carrier" means a person providing railroad transportation.

(4)(A) "Railroad property" means the following property owned, leased, or operated by a railroad carrier or used in its rail operations:

(i) a right-of-way, track, yard, station, shed, or depot;

(ii) a train, locomotive, engine, car, work equipment, rolling stock, or safety device; and

(iii) a "railroad structure," which means a bridge, tunnel, viaduct, trestle, culvert, abutment, communication tower, or signal equipment.

(B) "Railroad property" does not include inactive railroad property of the Twin State Railroad.

(5) "Right-of-way" means the track and roadbed owned, leased, or operated by a railroad carrier and property located on either side of the tracks that is readily recognizable to a reasonable person as being railroad property or is reasonably identified as such by fencing or appropriate signs.

(6) "Yard" means a system of parallel tracks, crossovers, and switches where railroad cars are switched and made up into trains, and where railroad cars, locomotives, and other rolling stock are kept when not in use or when awaiting repairs.

(b) Trespassing on railroad property prohibited. Except for the purpose of crossing railroad property at a public highway or other authorized crossing, a person shall not, without lawful authority or the railroad carrier's written

permission, knowingly enter or remain upon railroad property by an act including:

(1) standing, sitting, resting, walking, jogging, or running, or operating a recreational or nonrecreational vehicle, including a bicycle, motorcycle, snowmobile, car, or truck; or

(2) engaging in recreational activity, including bicycling, hiking, camping, or cross-country skiing.

(c) Stowaways prohibited. A person shall not, without lawful authority or the railroad carrier's written permission, ride on the outside of a train or inside a passenger car, locomotive, or freight car, including a box car, flatbed, or container.

(d) Persons not subject to ticketing. The following is a nonexhaustive list of persons who, for the purposes of this section, are not subject to ticketing for trespass under subsections (b) and (c) of this section:

(1) passengers on trains, or employees of a railroad carrier while engaged in the performance of their official duties;

(2) police officers, firefighters, peace officers, and emergency response personnel, while engaged in the performance of their official duties;

(3) a person going upon railroad property in an emergency to rescue from harm a person or animal such as livestock, pets, or wildlife, or to remove an object that the person reasonably believes to pose an imminent hazard;

(4) a person on the station grounds or in the depot of the railroad carrier as a passenger or for the purpose of transacting lawful business;

(5) a person, or the person's family or invitee, or the person's employee or independent contractor going upon a railroad's right-of-way for the purpose of crossing at a private crossing site approved by the railroad carrier or authorized by law in order to obtain access to land that the person owns, leases, or operates;

(6) a person who has permission from the owner, lessee, or operator of land served by a private crossing site approved by the railroad carrier or authorized by law, to use the crossing for recreational purposes and who enters upon the crossing for such purposes;

(7) a person having written permission from the railroad carrier to go upon the railroad property in question;

(8) representatives of the Transportation Board or Agency of Transportation while engaged in the performance of their official duties;

(9) representatives of the Federal Railroad Administration while engaged in the performance of their official duties;

(10) representatives of the National Transportation Safety Board while engaged in the performance of their official duties; or

(11) a person who enters or remains in a railroad right-of-way, but not within a rail yard or on a railroad structure, while lawfully engaged in hunting, fishing, or trapping; however, a person shall not be exempt from ticketing under this subdivision if he or she enters within an area extending eight feet outward from either side of the rail and within the rail unless he or she crosses and leaves this area quickly, safely, and at an angle of approximately 90 degrees to the direction of the rail.

(e) Nothing in this section is intended to modify the rights, duties, liabilities, or defenses available to any person under any other law or under a license or agreement.

(f) Penalty. A violation of this section is a traffic violation as defined in 23 V.S.A. chapter 24 and an action under this section shall be brought in accordance with 4 V.S.A. chapter 29. A person who violates this section shall be subject to a civil penalty of not more than $200.00.

Sec. 12. 5 V.S.A. § 3735 is amended to read:

§ 3735. ~~BOARDING TRAIN OR LOITERING ABOUT RAILROAD PROPERTY; PENALTY~~

~~A person boarding or riding without permission on a train, car, or locomotive, other than a passenger train, or a person boarding or riding on a passenger train without paying fare, or a person loitering in or about a railroad yard, station or car without permission, shall be imprisoned not more than 90 days, or fined not more than $25.00, or both.~~ [Repealed.]

Sec. 13. 23 V.S.A. § 2302(a) is amended to read:

(a) As used in this chapter, "traffic violation" means:

* * *

(7) a violation of 5 V.S.A. § 3408(c), relating to trail use of certain State-owned railroad corridors, or of 5 V.S.A. § 3734, related to trespassing on railroad property;

* * *

* * * Transportation Capital Program; Prioritization System * * *

Sec. 14. 19 V.S.A. § 10g(l) is amended to read:

(l) The Agency shall develop a numerical grading system to assign a priority rating to all Program Development Paving, Program Development

Roadway, Program Development Safety and Traffic Operations, Program Development State and Interstate Bridge, Town Highway Bridge, and Bridge Maintenance projects. The rating system shall consist of two separate, additive components as follows:

(1) One component shall be limited to asset ~~management-based~~ management- and performance-based factors which are objective and quantifiable and shall consider, without limitation, the following:

(A) the existing safety conditions in the project area and the impact of the project on improving safety conditions;

(B) the average, seasonal, peak, and nonpeak volume of traffic in the project area, including the proportion of traffic volume relative to total volume in the region, and the impact of the project on congestion and mobility conditions in the region;

(C) the availability, accessibility, and usability of alternative routes;

(D) the impact of the project on future maintenance and reconstruction costs; ~~and~~

(E) the relative priority assigned to the project by the relevant regional planning commission ~~or the Chittenden County Metropolitan Planning Organization;~~

(F) the resilience of the transportation infrastructure to floods and other extreme weather events.

(2) The second component of the priority rating system shall consider, without limitation, the following factors:

(A) the ~~functional~~ importance of the ~~highway or bridge~~ transportation infrastructure as a ~~link~~ factor in the local, regional, or State economy; and

(B) the ~~functional~~ importance of the ~~highway or bridge~~ transportation infrastructure in the health, social, and cultural life of the surrounding communities.

(3) The priority rating system for Program Development Roadway projects shall award as bonus points an amount equal to 10 percent of the total base possible rating points to projects within a designated downtown development district established pursuant to 24 V.S.A. § 2793.

* * * Adjustments to Existing Projects * * *

Sec. 15. 19 V.S.A. § 10h is amended to read:

§ 10h. ~~ADJUSTMENTS TO EXISTING PROJECTS; SUSPENSION OF OVERRUNS;~~ COOPERATIVE INTERSTATE AGREEMENT

(a) ~~The agency shall report to the transportation board each project for which the current construction cost estimate exceeds the last approved construction cost estimate by a substantial level, as substantial level is defined by the transportation board. The transportation board shall review such a project, and may grant approval to proceed. I f not approved by the transportation board, the project shall not proceed to contract award until approved by the general assembly.~~ [Repealed.]

(b) In connection with any authorized construction project in the ~~state~~ State of Vermont which extends into or affects an adjoining state, the ~~agency~~ Agency, on behalf of the ~~state~~ State of Vermont, may enter into a cooperative agreement with the adjoining state or any political subdivision of an adjoining state which apportions duties and responsibilities for planning preliminary engineering, including environmental studies, right-of-way acquisition, construction, and maintenance.

Sec. 16. 19 V.S.A. § 10g(h) is amended to read:

(h) Should capital projects in the Transportation Program be delayed because of unanticipated problems with permitting, right-of-way acquisition, construction, local concern, or availability of federal or State funds, the Secretary is authorized to advance projects in the approved Transportation Program. The Secretary is further authorized to undertake projects to resolve emergency or safety issues. Upon authorizing a project to resolve an emergency or safety issue, the Secretary shall give prompt notice of the decision and action taken to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session, and when the General Assembly is not in session, to the Joint Transportation Oversight Committee. Should an approved project in the current Transportation Program require additional funding to maintain the approved schedule, the Agency is authorized to allocate the necessary resources. However, the Secretary shall not delay or suspend work on approved projects to reallocate funding for other projects except when other funding options are not available. In such case, the Secretary shall notify the members of the Joint Transportation Oversight Committee and the Joint Fiscal Office. With respect to projects in the approved Transportation Program, the Secretary shall notify, in the district affected, the regional planning commission, the municipality, Legislators, members of the Senate and House Committees on Transportation, and the Joint Fiscal Office of ~~any significant~~

~~change in design, change in construction cost estimates requiring referral to the Transportation Board under section 10h of this title, or~~ any change which likely will affect the fiscal year in which the project is planned to go to construction. No project shall be cancelled without the approval of the General Assembly.

* * * Reporting Required in Proposed Transportation Program * * *

Sec. 17. 19 V.S.A. § 10g(g) is amended to read:

(g) The Agency's annual proposed Transportation Program shall include ~~a separate report~~ project updates referencing this section ~~describing~~ and listing the following:

(1) all proposed projects in the Program ~~which~~ that would be new to the State Transportation Program if adopted;

(2) all projects for which total estimated costs have increased by more than $8,000,000.00 or by more than 100 percent from the estimate in the prior fiscal year's approved Transportation Program;

(3) all projects funded for construction in the prior fiscal year's approved Transportation Program that are no longer funded in the proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year's approved Transportation Program, and the total costs incurred over the life of each such project.

* * * Joint Transportation Oversight Committee * * *

Sec. 18. 19 V.S.A. § 12b is amended to read:

§ 12b. JOINT TRANSPORTATION OVERSIGHT COMMITTEE

(a) There is created a Joint Transportation Oversight Committee composed of the Chairs of the House and Senate Committees on Appropriations, the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance. The Committee shall be chaired alternately by the Chairs of the House and Senate Committees on Transportation, and the two-year term shall run concurrently with the biennial session of the Legislature. The Chair of the Senate Committee on Transportation shall chair the Committee during the 2009–2010 legislative session.

(b) The Committee shall meet during adjournment for official duties. Meetings shall be convened by the Chair and when practicable shall be coordinated with the regular meetings of the Joint Fiscal Committee. Members shall be entitled to compensation and reimbursement pursuant to 2 V.S.A. § 406. The Committee shall have the assistance of the staff of the Office of Legislative Council and the Joint Fiscal Office.

(c) The Committee shall provide legislative ~~overview~~ oversight of the Transportation Fund revenues collection and the operation and administration of the Agency of Transportation construction, paving, and rehabilitation programs. The Secretary of Transportation shall report to the Oversight Committee upon request.

(d)~~(1) In coordination with the regular meetings of the Joint Fiscal Committee in mid-November, the Secretary shall prepare a report on the status of the State's transportation finances and transportation programs. If a meeting of the Committee is not convened on the scheduled dates of the Joint Fiscal Committee meetings, the Secretary in advance shall transmit the report electronically to the Joint Fiscal Office for distribution to Committee members. The report shall list contract bid awards versus project estimates and all known or projected cost overruns, project savings, and funding availability from delayed projects with respect to:~~

~~(A) all paving projects other than statewide maintenance programs; and~~

~~(B) all projects in the Roadway, State Bridge, Interstate Bridge, or Town Bridge programs with authorized spending in the fiscal year of $500,000.00 or more with a cost overrun equal to 20 percent or more of the authorized spending or generating project savings or delayed project available funding equal to 20 percent or more of the authorized spending.~~

~~(2) The report required under subdivision (1) of this subsection also shall describe the Agency's actions taken or planned to cover the cost overruns and to reallocate the project savings and delayed project funds, and shall discuss the Agency's plans to adjust spending to any changes in the consensus forecast for Transportation Fund revenues.~~

~~(3)~~ If and when applicable, the Secretary shall submit electronically to the Joint Fiscal Office for distribution to members of the Joint Transportation Oversight Committee a report summarizing any plans or actions taken to delay project schedules as a result of:

~~(A)~~(1) a generalized increase in bids relative to project estimates;

~~(B)~~(2) changes in the consensus revenue forecast of the Transportation Fund or Transportation Infrastructure Bond Fund; or

~~(C)~~(3) changes in the availability of federal funds.

* * * Appropriation; State Aid for Town Highways * * *

Sec. 19. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

* * *

(d) State aid for nonfederal disasters. There shall be an annual appropriation for emergency aid in repairing, building, ~~or rebuilding~~ or reconstructing class 1, 2, or 3 town highways ~~and bridges~~ and for repairing or replacing drainage structures including bridges on class 1, 2, 3, and 4 town highways damaged by natural or man-made disasters. Eligibility for use of emergency aid under this appropriation shall be subject to the following criteria:

(1) The Secretary of Transportation shall determine that the disaster is of such magnitude that State aid is both reasonable and necessary to preserve the public good. If total cumulative damages to town highways and drainage structures are less than the value of 10 percent of the town's overall total highway budget excluding the town's winter maintenance budget, the disaster shall not qualify for assistance under this subsection.

(2) The disaster shall not qualify for major disaster assistance from the Federal Emergency Management Agency (FEMA) under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121 et seq., or from the Federal Highway Administration (FHWA) under the 23 C.F.R. Part 668 Emergency Relief Program for federal-aid highways.

(3) Towns shall be eligible for reimbursement for repair or replacement costs of either up to 90 percent of the eligible repair or replacement costs or the eligible repair or replacement costs, minus an amount equal to 10 percent of the overall total highway budget, minus the town's winter maintenance budget, whichever is greater.

(4) For towns that have adopted road and bridge standards, eligibility for reimbursement for repair or replacement of infrastructure shall be to those standards. For towns that have not adopted these standards, eligibility for reimbursement for repair or replacement of infrastructure shall be limited to the specifications of the infrastructure that preexisted the emergency event; however, the repair or replacement shall be to standards approved by the Agency of Transportation.

(5) For a drainage structure on a class 4 town highway to be eligible for repair or replacement under this subsection, the town must document that it maintained the structure prior to the nonfederal disaster.

(6) Such additional criteria as may be adopted by the Agency of Transportation through rulemaking under 3 V.S.A. chapter 25.

* * *

* * * Highways; Alterations; Quasi-Judicial Process * * *

Sec. 20. 19 V.S.A. § 923 is amended to read:

§ 923. QUASI-JUDICIAL PROCESS

In order to protect the rights of ~~property owners~~ interested persons and the public, the process described in this section shall be used whenever so provided by other provisions of this title. As used in this section, "interested person" means a person who has a legal interest of record in the property that would be affected by the proposed action.

(1) ~~Notice. Written notice by certified mail shall be given~~ Notice. The selectboard shall give written notice by certified mail or by one of the methods allowed by Rule 4 of the Vermont Rules of Civil Procedure for service of original process to ~~the property owner or~~ any interested person describing the proposed activity affecting the property. The notice shall include a date and time when the selectboard shall inspect the premises. The notice shall precede the inspection by 30 days or more except in the case of an emergency.

(2) Inspection of premises~~—~~. The ~~selectmen~~ selectboard shall view the area and receive any testimony pertinent to the problem including suggested awards for damages, if any.

(3) Necessity~~—~~. The ~~selectmen~~ selectboard shall decide on the necessity for the activity or work proposed and establish any conditions for accomplishing it. This includes the award of damages, if applicable. The selectboard shall announce the decision and the reason for it ~~shall be announced~~ within 10 days of the inspection unless the selectboard formally ~~delayed by the selectboard~~ delays the proceeding in order to receive more testimony.

(4) Notifying parties~~—~~. The ~~selectmen~~ selectboard shall notify the ~~property owner~~ interested persons and other interested parties of their decision. They shall file a copy of their decision with the town clerk within 10 days of its announcement.

(5) Appeal~~—~~. If an ~~owner~~ interested person is dissatisfied with the award for damages, he or she may appeal using any of the procedures listed in chapter 5 of this title. Notice or petition for appeal shall not delay the proposed work or activity.

Sec. 21. 19 V.S.A. § 518 is amended to read:

§ 518. MINOR ALTERATIONS TO EXISTING FACILITIES

(a) ~~For purposes of~~ As used in this section, the term "minor alterations to existing facilities" means any of the following activities involving existing facilities, provided the activity does not require a permit under 10 V.S.A. chapter 151 (Act 250):

(1) Activities which qualify as "categorical exclusions" under 23 C.F.R. § 771.117 and the National Environmental Policy Act of 1969, as amended, 42 U.S.C. §§ 4321–4347.

(2) Activities involving emergency repairs to or emergency replacement of an existing bridge, culvert, highway, or State-owned railroad, even if the need for repairs or replacement does not arise from damage caused by a natural disaster or catastrophic failure from an external cause. Any temporary rights under this subdivision shall be limited to 10 years from the date of taking.

(b) In cases involving minor alterations to existing facilities, the Agency, following the procedures of section 923 of this title, may exercise the powers of a selectboard. However, if an interested person has not provided the Agency with identification information necessary to process payment, or if an owner refuses an offer of payment, payment shall be deemed to be tendered when the Agency makes payment into an escrow account that is accessible by the owner upon his or her providing any necessary identification information. ~~If~~ Further, if an appeal is taken under subdivision 923(5) of this title, the person taking the appeal shall follow the procedure specified in section 513 of this title.

* * * Water Quality * * *

Sec. 22. FINDINGS; AGENCY OF TRANSPORTATION; STORMWATER CREDIT

For the purposes of this section and Secs. 23–29 of this act (Agency of Transportation stormwater credit), the General Assembly finds and declares that:

(1) the federal Clean Water Act, State water quality requirements under 10 V.S.A. chapter 47, and the municipal separate storm sewer system permit for transportation infrastructure, require the treatment and control of stormwater from State highway rights-of-way and other property owned, controlled, or managed by the Agency; and

(2) because of the traditional and continuing expenditures of the Agency for the construction, operation, and maintenance of stormwater control infrastructure designed to control stormwater runoff from State highway

rights-of-way and developed lands owned, controlled, or managed by the Agency, it is fair and equitable to provide the Agency with a uniform credit against fees assessed by municipalities for the management of stormwater.

Sec. 23. 24 V.S.A. § 3501(7) is amended to read:

(7) "Storm water" or "storm sewage" ~~is the excess water from rainfall or continuously following therefrom~~ shall have the same meaning as "stormwater runoff" under 10 V.S.A. § 1264.

Sec. 24. 24 V.S.A. § 3615 is amended to read:

§ 3615. RENTS; RATES

(a) Such municipal corporation, through its board of sewage disposal commissioners, may establish charges to be called "sewage disposal charges," to be paid at such times and in such manner as the commissioners may prescribe. The commissioners may establish annual charges separately for bond repayment, fixed operations and maintenance costs (not dependent on actual use), and variable operations and maintenance ~~cost~~ costs dependent on flow. Such charges may be based upon:

(1) the metered consumption of water on premises connected with the sewer system, however, the commissioners may determine no user will be billed for fixed operations and maintenance costs and bond payment less than the average single family charge;

(2) the number of equivalent units connected with or served by the sewage system based upon their estimated flows compared to the estimated flows from a single family dwelling however, the commissioners may determine no user will be billed less than the minimum charge determined for the single family dwelling charge for fixed operations and maintenance costs and bond payment;

(3) the strength and flow where wastes stronger than household wastes are involved;

(4) the appraised value of premises, in the event that the commissioners shall determine the sewage disposal plant to be of general benefit to the municipality regardless of actual connection with the same;

(5) the commissioners' determination developed using any other equitable basis such as the number and kind of plumbing fixtures, the number of persons residing on or frequenting the premises served by those sewers, the topography, size, type of use, or impervious area of any premises; or

(6) any combination of these bases, so long as the combination is equitable.

(b) The basis for establishing sewer disposal charges shall be reviewed annually by sewage disposal commissioners. No premises otherwise exempt from taxation, including premises owned by the ~~state~~ State of Vermont, shall, by virtue of any such exemption, be exempt from charges established hereunder. The commissioners may change the rates of such charges from time to time as may be reasonably required. Where one of the bases of such charge is the appraised value and the premises to be appraised are tax exempt, the commissioners may cause the listers to appraise such property, including ~~state~~ State property, for the purpose of determining the sewage disposal charges. The right of appeal from such appraisal shall be the same as provided in 32 V.S.A. chapter 131 ~~of Title 32~~. The ~~commissioner of finance and management~~ Commissioner of Finance and Management is authorized to issue his or her warrants for sewage disposal charges against ~~state~~ State property and transmit to the ~~state treasurer~~ State Treasurer who shall draw a voucher in payment thereof. No charge so established and no tax levied under the provisions of section 3613 of this title shall be considered to be a part of any tax authorized to be assessed by the legislative body of any municipality for general purposes, but shall be in addition to any such tax so authorized to be assessed. Sewage disposal charges established in accord with this section may be assessed by the board of sewage disposal commissioners as provided in section 3614 of this title to derive the revenue required to pay pollution charges assessed against a municipal corporation under ~~section~~ 10 V.S.A. § 1265 ~~of Title 10~~.

(c) When a sewage disposal charge established under this section for the management of stormwater is applied to property owned, controlled, or managed by the Agency of Transportation, the charge shall not exceed the highest rate category applicable to other properties in the municipality, and the Agency of Transportation shall receive a 35 percent credit on the charge. The Agency of Transportation shall receive no other credit on the charge from the municipal corporation.

Sec. 25. 24 V.S.A. § 3507 is amended to read:

§ 3507. DUTIES

(a) Such sewage system commissioners shall have the supervision of such municipal sewage system and shall make and establish all needed rates for rent, with rules and regulations for its control and operation. Such commissioners may appoint or remove a superintendent at their pleasure. The rents and receipts for the use of such sewage system shall be used and applied to pay the interest and principal of the sewage system bonds of such municipal corporation, the expense of maintenance and operation of the sewage system, as well as dedicated fund payments provided for in section 3616 of this title.

(b) When a rate established under this section for the management of stormwater is applied to property owned, controlled, or managed by the Agency of Transportation, the rate shall not exceed the highest rate category applicable to other properties in the municipality, and the Agency of Transportation shall receive a 35 percent credit on the rate. The Agency of Transportation shall receive no other credit on the rate from the municipal corporation.

Sec. 26. 24 V.S.A. § 3679(c) is added to read:

(c) When a rate established under this section for the management of stormwater is applied to property owned, controlled, or managed by the Agency of Transportation, the rate shall not exceed the highest rate category applicable to other properties in the municipality, and the Agency of Transportation shall receive a 35 percent credit on the rate. The Agency of Transportation shall receive no other credit on the rate from the consolidated sewer district.

Sec. 27. 10 V.S.A. § 1251(18) is added to read:

(18) "Stormwater utility" means a system adopted by a municipality or group of municipalities under 24 V.S.A. chapter 97, 101, or 105 for the management of stormwater runoff.

Sec. 28. 10 V.S.A. § 1389(e) is amended to read:

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize:

* * *

(H) Funding to municipalities for the establishment and operation of stormwater utilities.

(2) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Clean Water Fund Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements, and to municipalities for the establishment and operation of stormwater utilities.

* * *

Sec. 29. STORMWATER UTILITY REPORT

On or before January 15, 2017, and annually thereafter until January 15, 2021, the Agency shall report to the House and Senate Committees on Transportation, the House Committee on Fish, Wildlife and Water Resources, and the Senate Committee on Natural Resources and Energy regarding the status of municipal establishment and implementation of stormwater utilities in the State. The report shall include:

(1) the number of municipal stormwater utilities in existence at the time of each report, as indicated by the number of unique municipal rate structures for stormwater mitigation under which the Agency was invoiced in the calendar year preceding a report submitted under this section;

(2) the number of new municipal stormwater utilities established in the State in the calendar year preceding a report submitted under this section;

(3) the amount of fees paid by the Agency to stormwater utilities in the calendar year preceding a report submitted under this section; and

(4) a list of the stormwater projects or programs implemented by the Agency in municipalities with stormwater utilities in the calendar year preceding a report submitted under this section.

* * * Statewide Property Parcel Mapping Program * * *

Sec. 30. DEVELOPMENT OF STATEWIDE PROPERTY PARCEL DATA LAYER

(a) The General Assembly finds that the State has an interest in creating a statewide property parcel data layer. The data layer will include all property parcels in each Vermont town, city, incorporated village, gore, and grant in a standard format and integrate all municipal property parcel maps into one property parcel map for the State.

(b) The General Assembly further finds that a statewide property parcel data layer will be useful to the Agency for the following applications:

(1) mapping highway centerlines that end at property boundaries;

(2) enabling the Agency to evaluate properties for alternative energy and other possible uses;

(3) providing right-of-way data to analyze Transportation Separate Storm Sewer System (TS4) assessments;

(4) streamlining title searches during the project development phase of transportation projects;

(5) providing linkages between grand list and property parcel data in order to enable the identification of all public land;

(6) locating encroachments on highways and providing notice to adjoining landowners;

(7) mapping the locations of surplus and excess property;

(8) assisting in the appraisal of land and acquisition of rights for transportation projects;

(9) improving emergency response capabilities;

(10) identifying encroachments on State-owned railroads and providing notice to adjoining landowners;

(11) evaluating applications for highway access under 19 V.S.A. § 1111, including utility installations and driveways; and

(12) improving the State's ability to identify its assets by accurately cataloguing the location and extent of State-owned rights-of-way.

(c)(1) Consistent with Secs. 31–32 of this act, starting in fiscal year 2017, the Agency shall commence development of the statewide digital parcel data layer as part of the Statewide Property Parcel Mapping Program.

(2) According to the Agency:

(A) development of the data layer is expected to take three years;

(B) 80 percent of development costs and future operating costs are expected to be funded with Federal Highway Administration funds and 20 percent with State matching funds; and

(C) transportation funds will cover the 20 percent State match in fiscal year 2017.

(3) The Agency shall continue to work with State agencies and external partners benefited by the data layer, including private funding partners, to develop a memorandum of understanding to address funding sources other than the Transportation Fund for the 20 percent State match for fiscal year 2018 and in succeeding fiscal years.

Sec. 31. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(17) Administer the Statewide Property Parcel Mapping Program.

Sec. 32. 19 V.S.A. § 44 is added to read:

§ 44. STATEWIDE PROPERTY PARCEL MAPPING PROGRAM

(a) Purpose. The purpose of the Statewide Property Parcel Mapping Program is to:

(1) develop a statewide property parcel data layer;

(2) ensure regular maintenance, including updates, of the data layer; and

(3) make property parcel data available to State agencies and departments, regional planning commissions, municipalities, and the public.

(b) Property Parcel Data Advisory Board. A Property Parcel Data Advisory Board (Board) is created for the purpose of monitoring the Statewide Property Parcel Mapping Program and making recommendations to the Agency of how the Program can be improved to enhance the usefulness of statewide property parcel data for State agencies and departments, regional planning commissions, municipalities, and the public. The Board shall comprise:

(1) the Secretary of Transportation or designee, who shall serve as chair;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Commerce and Community Development or designee;

(4) the Commissioner of Taxes or designee;

(5) a representative of the Vermont Association of Planning and Development Agencies;

(6) a representative of the Vermont League of Cities and Towns; and

(7) a land surveyor licensed under 26 V.S.A. chapter 45 designated by the Vermont Society of Land Surveyors.

(c) Meetings of Board. The Board shall meet at the call of the Chair or at the request of a majority of its members. The Agency shall provide administrative assistance to the Board and such other assistance as the Board may require to carry out its duties.

(d) Standards. The Agency shall update the statewide property parcel data layer in accordance with the standards of the Vermont Geographic Information System (VGIS), as specified in 10 V.S.A. § 123 (powers and duties of Vermont Center for Geographic Information).

(e) Funding sources. Federal transportation funds shall be used for the development and operation of the Program. In fiscal year 2018 and in

succeeding fiscal years, the Agency shall make every effort to ensure that all State matching funds are provided by other State agencies or external partners or both that benefit from the Program.

* * * Quechee Gorge Bridge Safety Issues * * *

Sec. 33. QUECHEE GORGE BRIDGE SAFETY ISSUES

(a) On or before September 1, 2016, or as soon as practicable thereafter if a longer period is required to obtain necessary permits or satisfy federal requirements, the Agency shall complete a project on or proximate to Bridge 61 on US Route 4 in the town of Hartford (Quechee Gorge Bridge) to install a structure providing information and resources, signs, or communication devices, or some combination of these, aimed at preventing suicides at the Quechee Gorge Bridge.

(b) In consultation with the Agency of Commerce and Community Development, the Department of Health, the Department of Mental Health, the Department of Public Safety, local officials, local emergency personnel, the Hartford Area Chamber of Commerce, mental health practitioners, local business owners, and other interested stakeholders, the Agency of Transportation shall thoroughly review suicide prevention as well as pedestrian, first responder, and other safety measures that could be taken, and the merits of taking such measures, at the Quechee Gorge Bridge. In conducting this review, the Agency shall identify:

(1) short- and long-term suicide prevention as well as pedestrian, first responder, and other safety measures for all users that could be taken at the Quechee Gorge Bridge in addition to the measures taken pursuant to subsection (a) of this section, including:

(A) providing information and resources, including emergency contact information and means of emergency communication; and

(B) physical improvements to the bridge structure and the surrounding area;

(2) estimated costs and benefits and an expected timeline associated with implementing the measures identified in subdivision (1) of this subsection; and

(3) economic, community, and tourism concerns associated with implementing the measures identified in subdivision (1) of this subsection.

(c) On or before January 10, 2017, the Agency shall report the results of the review required under subsection (b) of this section to the House and Senate Committees on Transportation.

* * * Ignition Interlock Devices * * *

Sec. 34. 23 V.S.A. § 1200 is amended to read:

§ 1200. DEFINITIONS

As used in this subchapter:

* * *

(9)(A) "Ignition interlock restricted driver's license" or "ignition interlock RDL" or "RDL" means a restricted license or privilege to operate a motor vehicle issued by the Commissioner allowing a ~~person~~ resident whose license or privilege to operate has been suspended or revoked for operating under the influence of intoxicating liquor or in excess of legal limits of alcohol concentration, or for refusing an enforcement officer's reasonable request for an evidentiary test, to operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, installed with an approved ignition interlock device.

(B) "Ignition interlock certificate" means a restricted privilege to operate a motor vehicle issued by the Commissioner allowing a nonresident whose privilege to operate a motor vehicle in Vermont has been suspended or revoked for operating under the influence of intoxicating liquor or in excess of legal limits of alcohol concentration, or for refusing an enforcement officer's reasonable request for an evidentiary test, to operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, installed with an approved ignition interlock device.

* * *

Sec. 35. 23 V.S.A. § 1209a is amended to read:

§ 1209a. CONDITIONS OF REINSTATEMENT; ALCOHOL AND DRIVING EDUCATION; SCREENING; THERAPY PROGRAMS

(a) Conditions of reinstatement. No license or privilege to operate suspended or revoked under this subchapter, except a license or privilege to operate suspended under section 1216 of this title, shall be reinstated except as follows:

(1) In the case of a first suspension, a license or privilege to operate shall be reinstated only:

(A) after the person has successfully completed an Alcohol and Driving Education Program, at the person's own expense, followed by an assessment of the need for further treatment by a State-designated counselor, at the person's own expense, to determine whether reinstatement should be further conditioned on satisfactory completion of a therapy program agreed to by the person and the Drinking Driver Rehabilitation Program Director;

(B) if the screening indicates that therapy is needed, after the person has satisfactorily completed or shown substantial progress in completing a therapy program at the person's own expense agreed to by the person and the Driver Rehabilitation Program Director;

(C) if the person elects to operate under an ignition interlock RDL or ignition interlock certificate, after~~:~~

~~(i) a period of nine months (plus any extension of this period arising from a violation of section 1213 of this title) if the person's license or privilege to operate is suspended after a refusal to consent to a law enforcement officer's reasonable request for an evidentiary test; or~~

~~(ii) a period of six months (~~the person operates under the RDL or certificate for the applicable period set forth in subsection 1205(a) or section 1206 of this title, plus any extension of this period arising from a violation of section 1213 of this title~~) in all other cases~~; and

(D) if the person has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(2) In the case of a second suspension, a license or privilege to operate shall not be reinstated until:

(A) the person has successfully completed an alcohol and driving rehabilitation program;

(B) the person has completed or shown substantial progress in completing a therapy program at the person's own expense agreed to by the person and the Driver Rehabilitation Program Director;

(C) ~~if the person elects to operate~~ after the person operates under an ignition interlock RDL~~, after:~~

~~(i) a period of two years (plus any extension of this period arising from a violation of section 1213 of this title) if the person's license or privilege to operate is suspended after a refusal to consent to a law enforcement officer's reasonable request for an evidentiary test; or~~

~~(ii) a period of 18 months (~~ or ignition interlock certificate for 18 months or, in the case of a person subject to the one year hard suspension prescribed in subdivision 1213(a)(1)(C) of this title, for one year, plus any extension of ~~this~~ the relevant period arising from a violation of section 1213 of this title~~) in all other cases~~, except if otherwise provided in subdivision (a)(4) of this section; and

(D) the person has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(3) In the case of a third or subsequent suspension or a revocation, a license or privilege to operate shall not be reinstated until:

(A) the person has successfully completed an alcohol and driving rehabilitation program;

(B) the person has completed or shown substantial progress in completing a therapy program at the person's own expense agreed to by the person and the Driver Rehabilitation Program Director;

(C) the person has satisfied the requirements of subsection (b) of this section; and

(D) ~~if the person elects to operate under an ignition interlock RDL, after:~~

~~(i) a period of four years (plus any extension of this period arising from a violation of section 1213 of this title) if the person's license or privilege to operate is suspended after a refusal to consent to a law enforcement officer's reasonable request for an evidentiary test; or~~

~~(ii) a period of three years (plus any extension of this period arising from a violation of section 1213 of this title) in all other cases; and~~

~~(E)~~ the person has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(4) The Commissioner shall waive a requirement under subdivision (2) of this subsection or subsection (b) of this section that a person operate under an ignition interlock RDL or certificate prior to eligibility for reinstatement if:

(A) the person furnishes sufficient 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 the term of the suspension or, in the case of suspensions or revocations for life, for a period of at least three years; or

(B) the underlying offenses arose solely from being under the influence of a drug other than alcohol.

(b) Abstinence.

(1) Notwithstanding any other provision of this subchapter, a person whose license or privilege to operate has been suspended or revoked 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 or revocation 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 shall include the applicant's authorization for a urinalysis examination to be conducted prior to reinstatement under this subdivision. 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, has operated under a valid ignition interlock RDL or under an ignition interlock certificate for at least three years following the suspension or revocation, and the person appreciates that he or she cannot drink any amount of alcohol and drive safely, the person's license or privilege to operate shall be reinstated immediately, subject to the condition that the person's suspension or revocation 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~~. The requirement to operate under an ignition interlock RDL or ignition interlock certificate shall not apply if the person is exempt under subdivision (a)(4) of this section.

(3) If after notice and hearing the Commissioner later finds that the person was violating the conditions of the person's reinstatement under this subsection, the person's operating license or privilege to operate shall be immediately suspended or revoked for ~~the period of the original suspension~~ life.

(4) If the Commissioner finds that a person reinstated under this subsection was suspended pursuant to section 1205 of this title, or was convicted of a violation of section 1201 of this title, the person shall be conclusively presumed to be in violation of the conditions of his or her reinstatement.

(5) A person shall be eligible for reinstatement under this subsection only once following a suspension or revocation 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~~ required to operate only vehicles equipped with an ignition interlock device for at least a three-year period, unless exempt under subdivision (a)(4) of this section, 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.

* * *

Sec. 36. 23 V.S.A. § 1213 is amended to read:

§ 1213. IGNITION INTERLOCK RESTRICTED DRIVER'S LICENSE OR CERTIFICATE; PENALTIES

(a)(1) ~~First offense.~~ A person whose license or privilege to operate is suspended ~~for a first offense~~ or revoked under this subchapter ~~shall be permitted to~~ may operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, if issued a valid ignition interlock RDL or ignition interlock certificate. ~~The~~ Upon application, the Commissioner shall issue an ignition interlock RDL ~~to a person eligible under section 1205(a)(1), 1205(a)(2), 1206(a), or 1216(a)(1) of this title upon receipt of~~ or ignition interlock certificate to a person otherwise licensed or eligible to be licensed to operate a motor vehicle if:

(A) the person submits a $125.00 application fee~~, and upon receipt of~~;

(B) the person submits satisfactory proof of installation of an approved ignition interlock device in any motor vehicle to be operated~~,~~ and of financial responsibility as provided in section 801 of this title~~, and enrollment in an Alcohol and Driving Education Program. The RDL shall be valid after expiration of the applicable shortened period specified in section 1205(a)(1), 1205(a)(2), 1206(a), or 1216(a)(1) of this title~~;

(C) at least one year has passed since the suspension or revocation was imposed if the offense involved death or serious bodily injury to a person other than the operator; and

(D) the applicable period set forth below has passed since the suspension or revocation was imposed if the offense involved refusal of an enforcement officer's reasonable request for an evidentiary test:

(i) 30 days for a first offense;

(ii) 90 days for a second offense;

(iii) one year for a third or subsequent offense.

(2) A new ignition interlock RDL or ignition interlock certificate shall expire at midnight on the eve of the second birthday of the applicant following the date of issue, and may be renewed for one-year terms. The Commissioner shall send by first class mail an application for renewal of the RDL or certificate at least 30 days prior to the day renewal is required and shall impose the same conditions for renewal as are required for initial issuance ~~of an ignition interlock RDL~~. The renewal fee shall be $125.00.

(b) ~~Second offense. A person whose license or privilege to operate is suspended for a second offense under this subchapter shall be permitted to operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, if issued a valid ignition interlock RDL. The Commissioner shall issue an ignition interlock RDL to a person eligible under section 1205(m), 1208(a), or 1216(a)(2) of this title upon receipt of a $125.00 application fee, and upon receipt of satisfactory proof of installation of an approved ignition interlock device in any motor vehicle to be operated, financial responsibility as provided in section 801 of this title, and enrollment in an Alcohol and Driving Rehabilitation Program. The RDL shall be valid after expiration of the applicable shortened period specified in section 1205(m), 1208(a), or 1216(a)(2) of this title. A new ignition interlock RDL shall expire at midnight on the eve of the second birthday of the applicant following the date of issue, and may be renewed for one-year terms. The Commissioner shall send by first class mail an application for renewal of the RDL at least 30 days prior to the day renewal is required and shall impose the same conditions for renewal as are required for initial issuance of an ignition interlock RDL. The renewal fee shall be $125.00.~~ [Repealed.]

(c) ~~Third or subsequent offense. A person whose license or privilege to operate is suspended or revoked for a third or subsequent offense under this subchapter shall be permitted to operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, if issued a valid ignition interlock RDL. The Commissioner shall issue an ignition~~

~~interlock RDL to a person eligible under section 1205(a)(3), 1205(m), 1208(b), or 1216(a)(2) of this title upon receipt of a $125.00 application fee, and upon receipt of satisfactory proof of installation of an approved ignition interlock device in any motor vehicle to be operated, financial responsibility as provided in section 801 of this title, and enrollment in an Alcohol and Driving Rehabilitation Program. The RDL shall be valid after expiration of the applicable shortened period specified in section 1205(a)(3), 1205(m), 1208(b), or 1216(a)(2) of this title. A new ignition interlock RDL shall expire at midnight on the eve of the second birthday of the applicant following the date of issue, and may be renewed for one-year terms. The Commissioner shall send by first class mail an application for renewal of the RDL at least 30 days prior to the day renewal is required and shall impose the same conditions for renewal as are required for initial issuance of an ignition interlock RDL. The renewal fee shall be $125.00.~~ [Repealed.]

(d) If a fine is to be imposed for a conviction of a violation of section 1201 of this title, upon receipt of proof of installation of an approved ignition interlock device, the Court may order that the fine of an indigent person conditionally be reduced by one-half to defray the costs of the ignition interlock device, subject to the person's ongoing operation under, and compliance with the terms of, a valid ignition interlock RDL or ignition interlock certificate as set forth in this section. In considering whether a person's fine should be reduced under this subsection, the Court shall take into account any discount already provided by the device manufacturer or provider.

(e) ~~The~~ Except as provided in subsection (m) of this section, the holder of an ignition interlock RDL or ignition interlock certificate shall pay the costs of installing, purchasing or leasing, and removing the ignition interlock device as well as calibrating the device and retrieving data from it periodically as may be specified by the Commissioner.

(f)(1) Prior to the issuance of an ignition interlock RDL or ignition interlock certificate under this section, the Commissioner shall notify the applicant ~~of the applicable~~ that the period prior to eligibility for reinstatement ~~under section 1209a or 1216 of this title, and that the reinstatement period~~ may be extended under this subsection (f) or subsections (g)–(h) of this section.

(2)(A) Prior to any such extension of the reinstatement period, the ignition interlock RDL or certificate holder shall be given notice and opportunity for a hearing. Service of the notice shall be sent by first class mail to the last known address of the person. The notice shall include a factual description of the grounds for an extension, a reference to the particular law allegedly violated, and a warning that the right to a hearing will be deemed waived, and an extension of the reinstatement period will be imposed, if a

written request for a hearing is not received at the Department of Motor Vehicles within 15 days after the date of the notice.

* * *

(3)(A) A holder of an ignition interlock RDL or certificate who, prior to eligibility for reinstatement under section 1209a or 1216 of this title, is prevented from starting a motor vehicle because the ignition interlock device records a blood alcohol concentration of 0.04 or above, shall be subject to a three-month extension of the applicable reinstatement period in the event of three such recorded events, and to consecutive three-month extensions for every additional three recorded events thereafter. The Commissioner shall disregard a recording of 0.04 or above for the purposes of this subdivision if the Commissioner in his or her discretion finds, based on a pattern of tests or other reliable information, that the recording does not indicate the consumption of intoxicating liquor by the holder. The Commissioner shall notify the holder in writing after every recording of 0.04 or above that indicates the consumption of intoxicating liquor by the holder and, prior to any extension under this subdivision, the holder shall have the opportunity to be heard pursuant to subdivision (2) of this subsection (f).

(B) A holder of an ignition interlock RDL or certificate who, prior to eligibility for reinstatement under section 1209a or 1216 of this title, fails a random retest because the ignition interlock device records a blood alcohol concentration of 0.04 or above and below 0.08, shall be subject to consecutive three-month extensions of the applicable reinstatement period for every such recorded event. A holder who fails a random retest because of a recording of 0.08 or above shall be subject to consecutive six-month extensions of the applicable reinstatement period for every such recorded event. The Commissioner shall disregard a recording of 0.04 or above for the purposes of this subdivision if the Commissioner in his or her discretion finds, based on a pattern of tests or other reliable information, that the recording does not indicate the consumption of intoxicating liquor by the holder. The Commissioner shall notify the holder in writing after every recording of 0.04 or above that is indicative of the consumption of intoxicating liquor by the holder and, prior to any extension under this subdivision, the holder shall have the opportunity to be heard pursuant to subdivision (2) of this subsection (f).

(g) The holder of an ignition interlock RDL or certificate shall operate only motor vehicles equipped with an ignition interlock device, shall not attempt or take any action to tamper with or otherwise circumvent an ignition interlock device, and, after failing a random retest, shall pull over and shut off the vehicle's engine as soon as practicable. A person who violates any provision of this section commits a criminal offense, shall be subject to the sanctions and

procedures provided for in subsections 674(b)–(i) of this title, and, upon conviction, the applicable period prior to eligibility for reinstatement under section 1209a or 1216 of this title shall be extended by six months.

(h) A person who violates a rule adopted by the Commissioner pursuant to subsection (l) of this section shall, after notice and an opportunity to be heard is provided pursuant to subdivision (f)(2) of this section, be subject to an extension of the period prior to eligibility for reinstatement under section 1209a or 1216 of this title in accordance with rules adopted by the Commissioner.

(i) Upon receipt of notice that the holder of an ignition interlock RDL or certificate has been ~~adjudicated~~ convicted of an offense under this title that would result in suspension, revocation, or recall of a license or privilege to operate, the Commissioner shall suspend, revoke, or recall the person's ignition interlock RDL or certificate for the same period that the license or privilege to operate would have been suspended, revoked, or recalled. The Commissioner may impose a reinstatement fee in accordance with section 675 of this title and require, prior to reinstatement, satisfactory proof of installation of an approved ignition interlock device~~,~~ and of financial responsibility as provided in section 801 of this title~~, and enrollment in or completion of an alcohol and driving education or rehabilitation program~~.

* * *

(l)(1) The Commissioner, in consultation with any individuals or entities the Commissioner deems appropriate, shall adopt rules and may enter into agreements to implement the provisions of this section. The Commissioner shall not approve a manufacturer of ignition interlock devices as a provider in this State unless the manufacturer agrees to reduce the cost of installing, leasing, and deinstalling the device by at least 50 percent for persons who furnish proof of receipt of 3SquaresVT, LIHEAP, or Reach Up benefits or like benefits in another state.

(2) The rules shall establish uniform performance standards for ignition interlock devices including required levels of accuracy in measuring blood alcohol concentration, efficacy in distinguishing valid breath samples, the occurrence of random retests while the vehicle is running, and automatic signaling by the vehicle if the operator fails such a retest. The Commissioner shall certify devices that meet these standards, specify any periodic calibration that may be required to ensure accuracy of the devices, and specify the means and frequency of the retrieval and sharing of data collected by ignition interlock devices. Persons who elect to obtain an ignition interlock RDL or certificate following a conviction under this subchapter when the person's blood alcohol concentration is proven to be 0.16 or more shall be required to

install an ignition interlock device with a Global Positioning System feature. The rules also shall establish a schedule of extensions of the period prior to eligibility for reinstatement as authorized under subsection (h) of this section.

(m)(1) There is created an Ignition Interlock Device Special Fund which shall be a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5.

(2) The Ignition Interlock Device Special Fund shall consist of funds appropriated by the General Assembly and of monies transferred to the Fund or from gifts, grants, and donations. Interest earned on monies in the Fund shall be retained in the Fund for use in accordance with the purposes of the Fund.

(3) Upon application by an eligible person, available monies in the Ignition Interlock Device Special Fund shall be used by the Department of Motor Vehicles to pay the balance of costs of installing, leasing, and deinstalling an ignition interlock device after a manufacturer's discount has been applied, on behalf of a person who:

(A) is qualified to obtain an ignition interlock RDL under this section;

(B) is required to operate under an ignition interlock RDL as a condition of reinstatement of his or her regular operator's license or privilege to operate a motor vehicle in Vermont; and

(C) furnishes proof to the Commissioner of Motor Vehicles of receipt of 3SquaresVT, LIHEAP, or Reach Up benefits from the State of Vermont.

Sec. 36a. FY16 MAINTENANCE PROGRAM SPENDING AUTHORITY; TRANSFER TO SPECIAL FUND; FY17 DMV SPENDING AUTHORITY

(a) Spending authority in the Maintenance Program within the fiscal year 2016 Transportation Program hereby is reduced by $25,000.00 in transportation funds.

(b) The sum of $25,000.00 hereby is transferred from the Transportation Fund to the Ignition Interlock Device Special Fund for use in fiscal year 2017 for the purpose specified in 23 V.S.A. § 1213(m).

(c) Spending authority for the Department of Motor Vehicles within the fiscal year 2017 Transportation Program hereby is increased by $25,000.00 in transportation funds for use in fiscal year 2017 for the purpose specified in 23 V.S.A. § 1213(m).

Sec. 37. 23 V.S.A. § 1205 is amended to read:

§ 1205. CIVIL SUSPENSION; SUMMARY PROCEDURE

(a) Refusal; alcohol concentration above legal limits; suspension periods.

(1) Upon affidavit of a law enforcement officer that the officer had reasonable grounds to believe that the person was operating, attempting to operate, or in actual physical control of a vehicle in violation of section 1201 of this title and that the person refused to submit to a test, the Commissioner shall suspend the person's operating license~~,~~ or nonresident operating privilege~~,~~ or the privilege of an unlicensed operator to operate a vehicle for a period of six months and until the person complies with section 1209a of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213 of this title ~~after 30 days of this six-month period unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~.

(2) Upon affidavit of a law enforcement officer that the officer had reasonable grounds to believe that the person was operating, attempting to operate, or in actual physical control of a vehicle in violation of section 1201 of this title and that the person submitted to a test and the test results indicated that the person's alcohol concentration was above a limit specified in subsection 1201(a) of this title, at the time of operating, attempting to operate, or being in actual physical control, the Commissioner shall suspend the person's operating license~~,~~ or nonresident operating privilege~~,~~ or the privilege of an unlicensed operator to operate a vehicle for a period of 90 days and until the person complies with section 1209a of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213 of this title ~~after 30 days of this 90-day period unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~.

(3) Upon affidavit of a law enforcement officer that the officer had reasonable grounds to believe that the person was operating, attempting to operate, or in actual physical control of a vehicle in violation of subdivision 1201(d)(2) of this title and that the person submitted to a test and the test results indicated that the person's alcohol concentration was 0.02 or more at the time of operating, attempting to operate, or being in actual physical control, the Commissioner shall suspend the person's operating license~~,~~ or nonresident operating privilege~~,~~ or the privilege of an unlicensed operator to operate a vehicle for life. However, ~~a~~ during the suspension, an eligible person may ~~operate under the terms of an ignition interlock RDL issued pursuant to section 1213 of this title after one year of this lifetime suspension unless the alleged~~

~~offense involved a collision resulting in serious bodily injury or death to another~~ operate under the terms of an ignition interlock RDL or ignition interlock certificate issued under section 1213 of this title.

* * *

(d) Form of notice. The notice of intention to suspend and of suspension shall be in a form prescribed by the Supreme Court. The notice shall include an explanation of rights, a form to be used to request a hearing, and, if a hearing is requested, the date, time, and location of the Criminal Division of the Superior Court where the person must appear for a preliminary hearing. The notice shall also contain, in boldface print, the following:

(1) You have the right to ask for a hearing to contest the suspension of your operator's license.

(2) This notice shall serve as a temporary operator's license and is valid until 12:01 a.m. of the date of suspension. If this is your first violation of section 1201 of this title and if you do not request a hearing, your license will be suspended as provided in this notice. If this is your second or subsequent violation of section 1201 of this title, your license will be suspended on the 11th day after you receive this notice. It is a crime to drive while your license is suspended unless you have been issued an ignition interlock restricted driver's license or ignition interlock certificate.

* * *

(m) Second and subsequent suspensions. For a second suspension under this subchapter, the period of suspension shall be 18 months and until the person complies with section 1209a of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213 of this title ~~after 90 days of this 18-month period unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~. For a third or subsequent suspension under this subchapter, the period of suspension shall be life. However, ~~a person may operate under the terms of an ignition interlock RDL issued pursuant to section 1213 of this title after one year of~~ during this lifetime suspension ~~unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued under section 1213 of this title.

* * *

Sec. 38. 23 V.S.A. § 1206 is amended to read:

§ 1206. SUSPENSION OF LICENSE FOR DRIVING WHILE UNDER INFLUENCE; FIRST CONVICTIONS

(a) First conviction–generally. Except as otherwise provided, upon conviction of a person for violating a provision of section 1201 of this title, or upon final determination of an appeal, the Court shall forward the conviction report forthwith to the Commissioner of Motor Vehicles. The Commissioner shall immediately suspend the person's operating license~~,~~ or nonresident operating privilege~~,~~ or the privilege of an unlicensed operator to operate a vehicle for a period of 90 days and until the defendant complies with section 1209a of this title. ~~However, a person may operate under the terms of an ignition interlock RDL issued pursuant to section 1213 of this title after 30 days of this 90-day period unless the offense involved a collision resulting in serious bodily injury or death to another.~~

(b) Extended suspension–fatality or serious bodily injury. In cases resulting in a fatality or serious bodily injury to a person other than the defendant, the period of suspension shall be one year and until the defendant complies with section 1209a of this title.

(c) ~~Extended suspension–refusal; serious bodily injury. Upon conviction of a person for violating a provision of subsection 1201(c) of this title involving a collision in which serious bodily injury resulted, or upon final determination of an appeal, the Court shall forward the conviction report forthwith to the Commissioner of Motor Vehicles. The Commissioner shall immediately suspend the person's operating license or nonresident operating privilege or the privilege of an unlicensed operator to operate a vehicle for a period of six months, and until the defendant complies with section 1209a of this title.~~ During a suspension under this section, an eligible person may operate a motor vehicle under the terms of an ignition interlock RDL or ignition interlock certificate issued under section 1213 of this title.

Sec. 39. 23 V.S.A. § 1208 is amended to read:

§ 1208. SUSPENSIONS FOR SUBSEQUENT CONVICTIONS

(a) Second conviction. Upon a second conviction of a person violating a provision of section 1201 of this title and upon final determination of an appeal, the Court shall forward the conviction report forthwith to the Commissioner of Motor Vehicles. The Commissioner shall immediately suspend the person's operating license~~,~~ or nonresident operating privilege or the privilege of an unlicensed operator to operate a vehicle for 18 months and until the defendant complies with section 1209a of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an

ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213 of this title ~~after 90 days of this 18-month period unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~.

(b) Third conviction. Upon a third or subsequent conviction of a person violating a provision of section 1201 of this title and upon final determination of any appeal, the Court shall forward the conviction report forthwith to the Commissioner of Motor Vehicles. The Commissioner shall immediately revoke the person's operating license~~,~~ or nonresident operating privilege or the privilege of an unlicensed operator to operate a motor vehicle for life. However, ~~a person may operate under the terms of an ignition interlock RDL issued pursuant to section 1213 of this title after one year of~~ during this lifetime ~~suspension unless the alleged offense involved a collision resulting in serious bodily injury or death to another~~ revocation, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued under section 1213 of this title.

Sec. 40. 23 V.S.A. § 1216 is amended to read:

§ 1216. PERSONS UNDER 21 YEARS OF AGE; ALCOHOL CONCENTRATION OF 0.02 OR MORE

(a) A person under ~~the age of~~ 21 years of age who operates, attempts to operate, or is in actual physical control of a vehicle on a highway when the person's alcohol concentration is 0.02 or more, commits a civil traffic violation subject to the jurisdiction of the Judicial Bureau and subject to the following sanctions:

(1) For a first violation, the person's license or privilege to operate shall be suspended for six months and until the person complies with subdivision 1209a(a)(1) of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213 of this title ~~after 30 days of this six-month period unless the offense involved a collision resulting in serious bodily injury or death to another~~. A person who elects to operate under an RDL or certificate shall not be eligible for reinstatement unless he or she operates under the RDL or certificate for six months plus any extension of this period arising from a violation of section 1213 of this title.

(2) For a second or subsequent violation, the person's license or privilege to operate shall be suspended until the person reaches ~~the age of~~ 21 years of age or for one year, whichever is longer, and complies with subdivision 1209a(a)(2)(A), (B), and (D) of this title. However, ~~a~~ during the suspension, an eligible person may operate under the terms of an ignition interlock RDL or ignition interlock certificate issued pursuant to section 1213

of this title ~~after 90 days of the applicable suspension period unless the offense involved a collision resulting in serious bodily injury or death to another~~. A person who elects to operate under an RDL or certificate shall not be eligible for reinstatement unless he or she operates under the RDL or certificate for one year or until the person reaches 21 years of age, whichever is longer, plus any extension of this period arising from a violation of section 1213 of this title.

(b) ~~A person's license or privilege to operate that has been suspended under this section shall not be reinstated until:~~

~~(1) the Commissioner has received satisfactory evidence that the person has complied with section 1209a of this title and the provider of the therapy program has been paid in full;~~

~~(2) the person has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter; and~~

~~(3)(A) for persons operating under an ignition interlock RDL for a first offense, after:~~

~~(i) a period of one year (plus any extension of this period arising from a violation of section 1213 of this title) if the person's license or privilege to operate is suspended after a refusal to consent to a law enforcement officer's reasonable request for an evidentiary test; or~~

~~(ii) a period of nine months (plus any extension of this period arising from a violation of section 1213 of this title) in all other cases; or~~

~~(B) for persons operating under an ignition interlock RDL for a second or subsequent offense, after:~~

~~(i) a period of two years (plus any extension of this period arising from a violation of section 1213 of this title) or until the person is 21, whichever is longer, if the person's license or privilege to operate is suspended after a refusal to consent to a law enforcement officer's reasonable request for an evidentiary test; or~~

~~(ii) a period of 18 months (plus any extension of this period arising from a violation of section 1213 of this title) or until the person is 21, whichever is longer, in all other cases~~. [Repealed.]

* * *

* * * Signs for Census-designated Places Within Towns * * *

Sec. 41. Sec. 1. 10 V.S.A. § 494 is amended to read:

§ 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

* * *

(4) Signs erected and maintained by or with the approval of a town outside the highway right-of-way, each of which does not exceed 64 square feet in area, excluding panel and frame, which may show the place and time of services or meetings of churches and civic organizations in the town, and which may include a panel which identifies the name of the town, the charter date, the date the town was founded, or any other significant date in the history of the town, and which the town wishes to identify. The panel may bear the wording "welcome to" the particular town. Not more than two such signs may be erected and maintained readable by traffic proceeding in any one direction on any one highway. The signs shall meet the criteria of the Agency of Transportation and the Travel Information Council. A sign that otherwise meets the requirements of this subdivision may refer to a census-designated place within a town rather than the town itself. As used in this subdivision, "census-designated place" means a statistical entity consisting of a settled concentration of population that is identifiable by name, is not legally incorporated under the laws of the State, and is delineated as such a place by the U.S. Census Bureau according to its guidelines.

* * *

* * * Effective Dates and Applicability * * *

Sec. 42. EFFECTIVE DATES; APPLICABILITY TO DUI MATTERS

(a) This section, Secs. 8 (positions), 9 (Rail Program), 10 (sale of State-owned rail property), 22–28 (stormwater utilities; rates; incentives), 30 (statewide property parcel data layer), 33 (Quechee Gorge Bridge safety issues), in Sec. 36, 23 V.S.A. § 1213(m) (Ignition Interlock Device Special Fund), and Sec. 36a (spending authority and transfer to the Ignition Interlock Device Special Fund) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2016.

(c) The requirement for a second or subsequent DUI offender to operate under an ignition interlock RDL or certificate as a condition of eligibility for reinstatement of the offender's regular operator's license or privilege to operate, created under Sec. 35, amending 23 V.S.A. § 1209a, shall apply only in connection with a second or subsequent DUI offense that occurs on or after July 1, 2016.

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 Senate propose to the House that

the bill be amended as recommended by the Committee on Transportation with the following amendments thereto:

First: In Sec. 2a, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Reduction in spending authority. Spending authority in the Program Development Program within the fiscal year 2017 Transportation Program hereby is reduced by:

(1) $461,136.00 in transportation funds;

(2) $86,204.00 in TIB funds;

(3) $2,189,360.00 in federal funds.

Second: In Sec. 2a, by striking out subdivision (c)(2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) Subject to the funding of the Transportation Fund Stabilization Reserve in accordance with 32 V.S.A. § 308a and to the limitations of 19 V.S.A. § 11f (Transportation Infrastructure Bond Fund), and notwithstanding 32 V.S.A. § 308c (Transportation Fund Balance Reserve), if a Transportation Fund balance, TIB Fund balance, or balance in both funds exists at the end of fiscal year 2016, spending authority reduced in subsection (a) of this section in the fiscal year 2017 Program Development Program shall be restored to the extent of the balance or balances, up to a total of $547,340.00 in transportation funds or TIB funds, and by up to $2,189,360.00 in matching federal funds.

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 Transportation was amended as recommended by the Committee on Appropriations.

Thereupon, pending the question, Shall the proposal of amendment recommended by the Committee on Transportation, as amended, be agreed to?, Senators Westman, Degree, Flory, Kitchel and Mazza moved to amend the proposal of amendment of the Committee on Transportation, as amended by striking out Sec. 42 in its entirety and inserting in lieu thereof the following:

* * * Dealers * * *

Sec. 42. 23 V.S.A. § 4(8)(A)(ii)(III) is amended to read:

(III) For a dealer in trailers, semi-trailers, or trailer coaches, "engaged in the business" means having sold or exchanged at least one trailer,

semi-trailer, or trailer coach in the immediately preceding year or a combination of two such vehicles in the two immediately preceding years. However, the sale or exchange of a trailer with a gross vehicle weight rating of 3,500 pounds or less shall be excluded under this subdivision (8)(A)(ii)(III).

Sec. 43. DEALER REGULATION REVIEW

(a) The Commissioner of Motor Vehicles shall review Vermont statutes, rules, and procedures regulating motor vehicle, snowmobile, motorboat, and all-terrain vehicle dealers, and review the regulation of such dealers by other states, to determine whether and how Vermont's regulation of dealers and associated motor vehicle laws should be amended to:

(1) enable vehicle and motorboat sales to thrive while protecting consumers from fraud or other illegal activities in the market for vehicles and motorboats; and

(2) protect the State's interest in collecting taxes, enforcing the law, and ensuring an orderly marketplace.

(b) In conducting his or her review, the Commissioner shall consult with new and used vehicle dealers or representatives of such dealers, or both, and other interested persons.

(c) The Commissioner shall review:

(1) required minimum hours and days of operation of dealers;

(2) physical location requirements of dealers;

(3) the required number of sales to qualify as a dealer and the types of sales and relationships among sellers that should count toward the sales threshold;

(4) the permitted uses of dealer plates;

(5) whether residents of other states should be allowed to register vehicles in Vermont;

(6) the effect any proposed change will have on fees and taxes that dealers collect and consumers pay;

(7) the effect any proposed changes will have on the ability of Vermont consumers and law enforcement to obtain information from a dealer selling vehicles or motorboats in Vermont; and

(8) other issues as may be necessary to accomplish the purpose of the review as described in subsection (a) of this section.

(d) On or before January 15, 2017, the Commissioner shall report his or her findings and recommendations to the Senate and House Committees on

Transportation and submit proposed legislation as may be required to implement the recommendations.

* * * Nondriver Identifications Cards; Data Elements * * *

Sec. 44. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

* * *

(b) 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~~ $24.00 fee. At least 30 days before an identification card will expire, the Commissioner shall mail first class to the cardholder or send the cardholder electronically an application to renew the identification card; a cardholder shall be sent the renewal notice by mail unless the cardholder opts in to receive electronic notification.

* * *

(i) An identification card issued under this subsection to an ~~individual under the age of 30 shall include a magnetic strip that includes only the name, date of birth, height, and weight of the individual identified on the card~~ initial or renewal applicant shall include data elements as prescribed in 6 C.F.R. § 37.19.

* * *

* * * Refund When Registration Plates Not Used * * *

Sec. 45. 23 V.S.A. § 327 is amended to read:

§ 327. REFUND WHEN PLATES NOT USED

Subject to the conditions set forth in subdivisions (1), (2), and (3) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or motor boat when the owner returns the number plates, if any, ~~the validation sticker, if issued for that year,~~ and the registration certificate to the Commissioner. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:

(1) For registrations ~~which are~~ cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a fee of $5.00. ~~The validation stickers may be affixed to the plates.~~

(2) For registrations ~~which are~~ cancelled within 30 days of the date of issue, the refund is the full amount of the fee paid, less a charge of $5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that

the number plates have not been used or attached to a motor vehicle~~, or that the current validation sticker has not been affixed to the plate or to the snowmobile or motorboat~~.

(3) For registrations ~~which are~~ cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of $5.00. ~~The validation stickers may be affixed to the plates.~~

* * * Provisions Common to Registrations and Operator's Licenses * * *

Sec. 46. 23 V.S.A. § 208 is added to read:

§ 208. RECIPROCAL RECOGNITION OF NONRESIDENT REGISTRATIONS, LICENSES, AND PERMITS; FOREIGN VISITORS

As determined by the Commissioner, and consistent with section 601 of this title, 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 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. However, these exemptions shall be operative only to the extent that under the laws of the foreign country or state of the owner's or operator's residence like exemptions and privileges are granted to owners of motor vehicles duly registered and to operators duly licensed or permitted under the laws of this State, except that if the owner or operator is a resident of a country not adjoining the United States, the exemptions shall be operative for a period of not more than 30 days for vacation purposes even if the country does not grant like privileges to residents of this State.

Sec. 47. 23 V.S.A. § 411 is amended to read:

§ 411. ~~RECIPROCAL PROVISIONS~~

~~As determined by the 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 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 or her 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. 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.~~ [Repealed.]

* * * Operator's Licenses * * *

Sec. 48. 23 V.S.A. § 601 is amended to read:

§ 601. LICENSE REQUIRED

(a)(1) 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 and who holds a valid license to operate motor vehicles under section ~~411~~ 208 of this title shall procure a Vermont license within 60 days of moving to the State. 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 operates for a period of not more than 30 days for vacation purposes; or

(C) 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.

* * *

(c) At least 30 days before a license is scheduled to expire, the Commissioner shall mail first class to the licensee or send the licensee electronically an application for renewal of the license; a cardholder shall be sent the renewal notice by mail unless the cardholder opts in to receive electronic notification. A person shall not operate a motor vehicle unless properly licensed.

* * *

Sec. 49. CONFORMING CHANGES

In 23 V.S.A. §§ 614 and 615, "section 411" is hereby replaced with "section 208."

* * * Special Examinations; Conforming Changes * * *

Sec. 50. 23 V.S.A. § 637 is amended to read:

§ 637. EXAMINERS OF PHYSICAL AND MENTAL CONDITIONS

The Commissioner may designate physicians, certified physician assistants, licensed advance practice registered nurses, ophthalmologists, oculists, and optometrists properly registered and authorized to practice in this State or in an adjoining state as examiners of operators. The Commissioner may refer any matter relative to the issuing, suspending, or reinstating of licenses ~~which concern~~ that concerns the physical or mental condition or eyesight of any applicant for or holder of a license or any petitioner for reinstatement to, and require the applicant or other person to be examined by, such examiner in the vicinity of the person's residence as he or she determines to be qualified to examine and report. Such examiner shall report to the Commissioner the true and actual result of examinations made by him or her together with his or her decision as to whether the person examined should be granted or allowed to retain an operator's license or permitted to operate a motor vehicle.

Sec. 51. 23 V.S.A. § 638 is amended to read:

§ 638. ~~DISSATISFACTION WITH PHYSICAL AND MENTAL EXAMINATION~~

~~If any person is dissatisfied with the result of an examination given by any one examiner, as provided in section 637 of this title, he or she may apply to the Commissioner for and shall be granted an examination by two physicians, ophthalmologists, oculists, or optometrists selected from a list of examiners approved by the Commissioner, and their decision shall be final. The Commissioner may designate the area of specialization from which the examiners are to be selected in each case, but in no event shall he or she limit the choice of an examiner to any one individual within the profession from which he or she is to be chosen.~~ [Repealed.]

Sec. 52. 23 V.S.A. § 639 is amended to read:

§ 639. FEES FOR PHYSICAL AND MENTAL EXAMINATIONS

The compensation of the examiners provided in ~~sections~~ section 637 ~~and 638~~ of this title shall be paid by the person examined.

* * * State Highway Restrictions and Chain Up Requirements * * *

Sec. 53. 23 V.S.A. § 1006b is amended to read:

§ 1006b. ~~SMUGGLERS~~ SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT ROUTE 108; COMMERCIAL VEHICLE OPERATION PROHIBITED

(a) The Agency of Transportation may close the ~~Smugglers~~ Smugglers' Notch segment of Vermont Route 108 during periods of winter weather. ~~To enforce the winter closure, the Agency shall erect signs conforming to the standards established by section 1025 of this title.~~

(b)(1) As used in this subsection, "commercial vehicle" means truck-tractor-semitrailer combinations and truck-tractor-trailer combinations.

(2) Commercial vehicles are prohibited from operating on the Smugglers' Notch segment of Vermont Route 108.

(3) Either the operator of a commercial vehicle who violates this subsection, or the operator's employer, shall be subject to a civil penalty of $1,000.00. If the violation results in substantially impeding the flow of traffic on Vermont Route 108, the penalty shall be $2,000.00. For a second or subsequent conviction within a three-year period, the penalty shall be doubled.

(c) The Agency shall erect signs conforming to the standards established by section 1025 of this title to indicate the closures and restrictions authorized under this section.

Sec. 54. 23 V.S.A. § 1006c is amended to read:

§ 1006c. ~~TRUCKS AND BUSES; CHAINS AND TIRE~~ CHAIN REQUIREMENTS FOR VEHICLES WITH WEIGHT RATINGS OF MORE THAN 26,000 POUNDS

(a) As used in this section, "chains" means link chains, cable chains, or another device that attaches to a vehicle's tire or wheel or to the vehicle itself and is designed to augment the traction of the vehicle under conditions of snow or ice.

(b) The ~~Traffic Committee~~ Secretary of Transportation, the Commissioner of Motor Vehicles, or the Commissioner of Public Safety, or their designees, may require the use of tire chains ~~or winter tires~~ on specified portions of State highways during periods of winter weather for ~~motor coaches, truck-tractor-semitrailer combinations, and truck-tractor-trailer combinations~~ vehicles with a gross vehicle weight rating (GVWR) of more than 26,000 pounds or gross combination weight rating (GCWR) of more than 26,000 pounds.

~~(b)~~(c) When tire chains ~~or winter tires~~ are required, advance notice shall be given to the traveling public through signage and, whenever possible, through public service announcements. In areas where tire chains ~~or winter tires~~ are required, there shall be an adequate area for vehicles to pull off the traveled way to affix any chains that might be required.

~~(c)~~(d) Under 3 V.S.A. chapter 25, the Traffic Committee may adopt such rules as are necessary to administer this section and may delegate this authority to the Secretary.

(e) When signs are posted and chains required in accordance with this section, chains shall be affixed as follows on vehicles with a GVWR or a GCWR of more than 26,000 pounds:

(1) Solo vehicles. A vehicle not towing another vehicle:

(A) that has a single-drive axle shall have chains on one tire on each side of the drive axle; or

(B) that has a tandem-drive axle shall have chains on:

(i) two tires on each side of the primary drive axle; or

(ii) if both axles are powered by the drive line, on one tire on each side of each drive axle.

(2) Vehicles with semitrailers or trailers. A vehicle towing one or more semitrailers or trailers:

(A) that has a single-drive axle towing a trailer shall have chains on two tires on each side of the drive axle and one tire on the front axle and one tire on one of the rear axles of the trailer;

(B) that has a single-drive axle towing a semitrailer shall have chains on two tires on each side of the drive axle and two tires, one on each side, of any axle of the semitrailer;

(C) that has a tandem-drive axle towing a trailer shall have:

(i) chains on two tires on each side of the primary drive axle, or if both axles of the vehicle are powered by the drive line, one tire on each side of each drive axle; and

(ii) chains on one tire of the front axle and one tire on one of the rear axles of the trailer;

(D) that has a tandem-drive axle towing a semitrailer shall have:

(i) chains on two tires on each side of the primary drive axle, or if both axles of the vehicle are powered by the drive line, one tire on each side of each drive axle; and

(ii) chains on two tires, one on each side, of any axle of the semitrailer.

(f) Either the operator of a vehicle required to be chained under this section who fails to affix chains as required herein, or the operator's employer, shall be subject to a civil penalty of $1,000.00. If the violation results in substantially impeding the flow of traffic on a highway, the penalty shall be $2,000.00. For a second or subsequent conviction within a three-year period, the penalty shall be doubled.

Sec. 55. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, "traffic violation" means:

* * *

(11) a violation of subsection 1006b(b), section 1006c, or subsections 4120(a) and (b) of this title; or

* * *

* * * School Bus Operators * * *

Sec. 56. 23 V.S.A. § 1282(d) is amended to read:

(d)(1) ~~A~~ No less often than every two years, and before the start of a school year, a person licensed by the Department of Motor Vehicles to assume the duty of transporting school pupils in either a Type I or Type II school bus shall ~~annually before the commencement of the school year~~ furnish ~~his or her~~ the employer~~, where he or she is employed~~ who employs him or her as a school bus driver~~,~~ the following:

(A) a certificate signed by a licensed physician, ~~or~~ a certified physician assistant, or a nurse practitioner in accordance with written protocols, certifying that ~~he or she~~ the licensee is, as far as can be determined by reasonable inquiry and examination, mentally and physically competent to perform his or her duties~~,~~ and that he or she meets or exceeds the minimum hearing standards, based on voice testing, as prescribed by the Commissioner; and

(B) a certificate signed by a properly registered and authorized medical doctor, ophthalmologist, optometrist, or nurse practitioner certifying that he or she meets or exceeds the minimum vision standards as prescribed by the Commissioner.

(2) Upon receipt of a certificate required by this subsection which indicates that the school bus driver is not mentally or physically competent or does not meet the minimum hearing or vision standards, the employer shall immediately notify the Commissioner.

(3) The certificates required under this subsection may be valid for up to two years from the examination.

* * * Overweight and Overdimension Vehicles * * *

Sec. 57. 23 V.S.A. § 1391a(d) is amended to read:

(d) Fines imposed for violations of this section shall be deposited in the Transportation Fund, unless the fines are the result of enforcement actions on a town highway by an enforcement officer employed by or under contract with the municipality, in which case the fine shall be paid to the municipality, except for ~~a $6.00~~ an administrative charge for each case in the amount specified in 13 V.S.A. § 7251, which shall be retained by the State.

Sec. 58. 23 V.S.A. § 1400(d) is amended to read:

(d) ~~The Commissioner may enter into contracts with an electronic permitting service that will allow the service to issue single trip permits to a commercial motor vehicle operator, on behalf of the Department of Motor Vehicles. The permitting service shall be authorized to issue single trip permits for travel to and from a Vermont facility by commercial motor vehicles which are not greater than 72 feet in length on routes that have been approved by the Agency of Transportation. The permitting service may assess, collect, and retain an additional administrative fee which shall be paid by the commercial motor vehicle carrier.~~ [Repealed.]

* * * Motor Vehicle Titles * * *

Sec. 59. 23 V.S.A. § 2001 is amended to read:

§ 2001. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

* * *

(13) "Salvaged motor vehicle" means a motor vehicle which has been purchased or otherwise acquired as salvage; scrapped, dismantled, or destroyed~~,~~; or declared a total loss by an insurance company.

* * *

(17) "Salvage certificate of title" means a title that is stamped or otherwise branded to indicate that the vehicle described thereon is a salvaged motor vehicle ~~or has been scrapped, dismantled, destroyed, or declared a total loss by an insurance company, or both~~.

* * *

Sec. 60. 23 V.S.A. § 2019 is amended to read:

§ 2019. MAILING OR DELIVERING CERTIFICATE

The certificate of title shall be mailed or personally delivered, upon proper identification of the individual, to the first lienholder named in it or, if none, to the owner. However, a person is entitled to a personal delivery of only one title in a single day and of no more than three titles in a calendar month.

Sec. 61. 23 V.S.A. § 2091 is amended to read:

§ 2091. ~~DISMANTLING OR DESTRUCTION OF VEHICLE~~ SALVAGE CERTIFICATES OF TITLE; FORWARDING OF PLATES AND TITLES OF CRUSHED VEHICLES

(a) Except for vehicles for which no certificate of title is required pursuant to section 2012 of this title and for vehicles which are more than 15 years old, any person who purchases or in any manner acquires a vehicle as salvage; any person who scraps, dismantles, or destroys a motor vehicle~~,~~; or any insurance company or representative thereof who declares a motor vehicle to be a total loss, shall ~~make application~~ apply to the Commissioner for a salvage certificate of title within 15 days of the time the vehicle is purchased or otherwise acquired as salvage~~,~~; is scrapped, dismantled, or destroyed~~,~~; or is declared a total loss. However, an insurance company or representative thereof proceeding under subsection (c) of this section may apply outside this 15-day window to the extent necessary to comply with the requirements of that subsection.

(b) ~~The~~ Except as provided in subsection (c) of this section, the application shall be accompanied by:

(1) any certificate of title; and

(2) any other information or documents that the Commissioner may reasonably require to establish ownership of the vehicle and the existence or nonexistence of any security interest in the vehicle.

(c)(1) An insurer required to obtain a salvage certificate of title under this section for a vehicle declared a total loss, or a representative of the insurer, may obtain the title without satisfying the requirements of subsection (b) of this section if the application for the salvage certificate of title is accompanied by:

(A) the required fee;

(B) evidence that the insurer has made payment for the total loss of the vehicle, and evidence that the payment was made to any lienholder identified in the records of certificates of title of the Department and to the vehicle owner, if applicable; and

(C) a copy of the insurer's written request for the certificate of title sent at least 30 days prior to the application to the vehicle owner and to any lienholder identified in the records of certificates of title of the Department, proof that the request was sent by certified mail or was delivered by a courier service that provides proof of delivery, and copies of any responses from the vehicle owner or lienholder.

(2) If the Commissioner issues a salvage certificate of title to an eligible person under this subsection, the title shall be issued free and clear of all liens.

~~(b)~~(d) ~~When~~ Except for vehicles for which no certificate of title is required under this chapter, when a vehicle is destroyed by crushing for scrap, the person causing the destruction shall immediately mail or deliver to the Commissioner the certificate of title~~, if any,~~ endorsed "crushed" and signed by the person, accompanied by the original plate showing the original vehicle identification number. The plate shall not be removed until such time as the vehicle is crushed.

~~(c)~~(e) This section shall not apply to, and salvage certificates of title shall not be required for, unrecovered stolen vehicles or vehicles stolen and recovered in an undamaged condition, provided that the original vehicle identification number plate has not been removed, altered, or destroyed and the number thereon is identical with that on the original title certificate.

* * * Abandoned Motor Vehicles * * *

Sec. 62. 23 V.S.A. chapter 21, subchapter 7 is amended to read:

Subchapter 7. Abandoned Motor Vehicles

§ 2151. ~~ABANDONED MOTOR VEHICLES; DEFINED~~ DEFINITIONS

~~(a)(1) For the purposes of~~ As used in this subchapter~~, an "abandoned motor vehicle" means~~:

(1)(A) "Abandoned motor vehicle" means:

(i) a motor vehicle that has remained on public or private property or on or along a highway for more than 48 hours without the consent of the owner or person in control of the property ~~for more than 48 hours~~, and has a valid registration plate or public vehicle identification number which has not been removed, destroyed, or altered; or

~~(B)~~(ii) a motor vehicle that has remained on public or private property or on or along a highway without the consent of the owner or person in control of the property for any period of time if the vehicle does not have a valid registration plate or the public vehicle identification number has been removed, destroyed, or altered.

(B) "Abandoned motor vehicle" does not include a vehicle or other equipment used or to be used in construction or in the operation or maintenance of highways or public utility facilities, which is left in a manner which does not interfere with the normal movement of traffic.

(2) "Landowner" means a person who owns or leases or otherwise has authority to control use of real property.

(3) ~~For purposes of this subsection, "public~~ "Public vehicle identification number" means the public vehicle identification number which is usually visible through the windshield and attached to the driver's side of the dashboard, instrument panel, or windshield pillar post or on the doorjamb on the driver's side of the vehicle.

~~(b) Construction equipment. A vehicle or other equipment used or to be used in construction or in the operation or maintenance of highways or public utility facilities, which is left in a manner which does not interfere with the normal movement of traffic, shall not be considered to be an abandoned motor vehicle.~~

§ 2152. AUTHORIZED REMOVAL OF ABANDONED MOTOR VEHICLES

(a) Public property. A law enforcement officer is authorized to remove or cause removal of an abandoned motor vehicle from public property, and may contact a towing service for its removal ~~of such motor vehicle~~, based upon personal observation by the officer that the vehicle is an abandoned motor vehicle.

(b) Private property.

(1) A law enforcement officer is authorized to remove or cause removal of an abandoned motor vehicle from private property, and may contact a towing service for its removal ~~from private property of such vehicle~~, based upon ~~complaint of the owner or agent of the property~~ the request of the landowner on ~~which~~ whose property the vehicle is located ~~that the~~ and information indicating that the vehicle is an abandoned motor vehicle.

(2) ~~An owner or agent of an owner~~ A landowner of private property is authorized to remove or cause removal of an abandoned motor vehicle from that property or to any other place on any property of the landowner, and may contact a towing service for its removal ~~from that property of an abandoned vehicle~~. ~~If an owner or agent of an owner~~ A landowner who removes or causes removal of an abandoned motor vehicle~~, the owner or agent~~ shall immediately notify the police agency in the jurisdiction from which the vehicle is removed~~.~~ ~~Notification shall include identification of~~ and provide the registration plate number, the public vehicle identification number, if available, and the make,

model, and color of the vehicle. The ~~owner or agent of an owner of property upon which a motor vehicle is abandoned~~ landowner may remove the vehicle from the place where it is discovered to any other place on any property owned by him or her, or cause the vehicle to be removed by a towing service under the provisions of this subsection, without incurring any civil liability to the owner of the abandoned vehicle.

§ 2153. ABANDONED MOTOR VEHICLE CERTIFICATION

(a) ~~Within 30 days of removal of the vehicle, a towing service which has removed an abandoned motor vehicle~~ A landowner on whose property an abandoned motor vehicle is located shall apply to the Department for an abandoned motor vehicle certification on forms supplied by the Department ~~of Motor Vehicles~~ within 30 days of the date the vehicle was discovered on or brought to the property unless the vehicle has been removed from the property. An abandoned motor vehicle certification form shall indicate the date ~~of removal,~~ that the abandoned motor vehicle was discovered or brought to the property; the make, color, model, and location ~~found, and~~ of the vehicle; the name, address, and ~~phone~~ telephone number of the ~~towing service,~~ landowner; and a certification of the public vehicle identification number, if any, to be recorded by a law enforcement officer. This subsection shall not be construed as creating a private right of action against the landowner.

(b) Upon receipt of an abandoned motor vehicle certification form, the Commissioner ~~of Motor Vehicles~~ shall attempt to identify and notify the owner of the vehicle as required by section 2154 of this title. If no owner can be determined by the Commissioner within the time period allowed by section 2154 of this title, the Commissioner shall issue a certificate of abandoned motor vehicle with appropriate title or salvage title, or both, and the vehicle may be disposed of in the manner set forth in section 2156 of this title.

§ 2154. IDENTIFICATION AND RECLAMATION OF ABANDONED MOTOR VEHICLES

(a) The Department ~~of Motor Vehicles~~ shall make a reasonable attempt to locate an owner of an abandoned motor vehicle.

(1) If the abandoned motor vehicle is not identifiable by its registration plates or public vehicle identification number, and if no owner can be determined within 21 days of the date of receipt of the abandoned motor vehicle certification form, the Commissioner ~~of Motor Vehicles~~ shall issue a certificate of abandoned motor vehicle with an appropriate title or salvage title.

(2) If the abandoned motor vehicle is identifiable by its registration plates or public vehicle identification number, the Department ~~of Motor Vehicles~~ shall, within three business days of receipt of the form for

certification of abandoned motor vehicle, send notice to the last known registered owner and lienholder of the vehicle. The notice shall be sent by certified mail, return receipt requested, and shall advise the last known registered owner of the motor vehicle's location and a telephone number where additional information about the motor vehicle may be obtained. If the receipt is not returned to the Department within seven business days, the Commissioner shall, by first class mail, send a second notice. Within 21 days of sending the second notice, the last known registered owner or lienholder may reclaim and retrieve the motor vehicle by presenting to the Department ~~of Motor Vehicles~~ satisfactory evidence of ownership, and paying or arranging to pay any fees or charges authorized by section 2155 of this title. If the last known registered owner or lienholder fails or refuses to reclaim the motor vehicle within 21 days of the second mailing, the Commissioner ~~of Motor Vehicles~~ shall issue a certificate of abandoned motor vehicle with appropriate title or salvage title.

(b) An owner or lienholder may reclaim an abandoned motor vehicle by presenting to the Department ~~of Motor Vehicles~~ satisfactory evidence of ownership, and paying or reimbursing, or making arrangements to pay or reimburse, the towing agency, the Department ~~of Motor Vehicles~~, or the ~~owner or agent of private property~~ landowner, as the case may be, any towing fee or storage charges permitted under section 2155 of this title.

§ 2155. FEES AND CHARGES

(a) Towing fees. For towing an abandoned motor vehicle from private property, a towing service may charge a reasonable fee to be paid by the vehicle owner or ~~agent of the owner~~ landowner of the private property.

(b) Storage charges. In addition to any towing fee, an owner or lienholder reclaiming an abandoned motor vehicle may be charged and shall pay a fee for the costs of storage of the vehicle, except that no fee may be charged for storage for any period preceding the date upon which the form for abandoned motor vehicle certification is sent ~~by the towing service~~ to the Department ~~of Motor Vehicles~~.

* * *

* * * Repeals and Conforming Changes * * *

Sec. 63. REPEALS

The following sections are repealed:

(1) 23 V.S.A. § 366 (log-haulers; registration).

(2) 23 V.S.A. § 423 (negotiating and entering into an interstate compact regarding truck license fees).

(3) 23 V.S.A. § 605 (unsatisfied judgment; suspension).

Sec. 64. 23 V.S.A. § 369 is amended to read:

§ 369. TRACTORS OTHER THAN FARM TRACTORS

The annual fee for registration of a tractor, except ~~log haulers on snow roads and~~ farm tractors as otherwise provided in this chapter, shall be based on the actual weight of such tractor at the same rate as that provided for trucks of like weight under the provisions of this chapter. The minimum fee for registering any tractor shall be $20.00.

Sec. 65. 23 V.S.A. § 603(a)(2) is amended to read:

(2) The Commissioner may, however, in his or her discretion, refuse to issue a license to any person whenever he or she is satisfied from information given him or her by credible persons, and upon investigation, that the person is mentally or physically unfit, or because of his or her habits, or record as to accidents or convictions, is unsafe to be trusted with the operation of motor vehicles. A person refused a license~~,~~ under the provisions of this subsection ~~or section 605 of this title,~~ shall be entitled to hearing as provided in sections 105–107 of this title.

* * * Chemicals of High Concern to Children; Vehicle Exemptions * * *

Sec. 66. 18 V.S.A. § 1772 is amended to read:

§ 1772. DEFINITIONS

As used in this chapter:

* * *

(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:

* * *

(G) an aircraft, motor vehicle, wheelchair, or vessel;

* * *

(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~~ all vehicles propelled or drawn by power other than muscular power, including snowmobiles, motorcycles, all-terrain vehicles, farm tractors, vehicles running only upon stationary rails or tracks, motorized highway building equipment, road making appliances, or tracked vehicles or electric personal assistive mobility devices.

* * *

* * * Study of DUI Drug Offense Enforcement Challenges * * *

Sec. 67. STUDY OF DUI DRUG OFFENSE ENFORCEMENT CHALLENGES

The Executive Director of the Department of State's Attorneys and Sheriffs or designee, in consultation with the Commissioner of Public Safety or designee, the Impaired Driving Project Manager of the Governor's Highway Safety Program, and attorneys representing DUI defendants, shall study challenges in the enforcement of DUI drug offenses, including the lack of a rapid roadside screening tool to detect drugs other than alcohol, and identify recommended improvements in the processes used to detect, arrest, and process drug-impaired drivers and to the laws that govern these processes. On or before November 1, 2016, the Executive Director shall report his or her findings and recommendations to the Joint Legislative Justice Oversight Committee, the House and Senate Committees on Judiciary, and the House and Senate Committees on Transportation.

* * * Effective Dates and Applicability * * *

Sec. 68. EFFECTIVE DATES; APPLICABILITY TO DUI MATTERS

(a) This section, Secs. 8 (positions), 9 (Rail Program), 10 (sale of State-owned rail property), 22–28 (stormwater utilities; rates; incentives), 30 (statewide property parcel data layer), 33 (Quechee Gorge Bridge safety issues), in Sec. 36, 23 V.S.A. § 1213(m) (Ignition Interlock Device Special Fund), Sec. 36a (spending authority and transfer to the Ignition Interlock Device Special Fund), Sec. 66 (chemicals of high concern to children; exempt vehicles), and Sec. 67 (study of DUI drug offense enforcement challenges) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2016.

(c) The requirement for a second or subsequent DUI offender to operate under an ignition interlock RDL or certificate as a condition of eligibility for reinstatement of the offender's regular operator's license or privilege to operate, created under Sec. 35, amending 23 V.S.A. § 1209a, shall apply only in connection with a second or subsequent DUI offense that occurs on or after July 1, 2016.

Which was agreed to.

Thereupon, the proposal of amendment recommended by the Committee on Transportation, as amended, was agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 878.

Senator Flory, for the Committee on Institutions, to which was referred House bill entitled:

An act relating to capital construction and State bonding budget adjustment.

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:

* * * Capital Appropriations * * *

Sec. 1. 2015 Acts and Resolves No. 26, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

* * *

(c) The following sums are appropriated in FY 2017:

* * *

(5) Statewide, major maintenance: ~~$8,000,000.00~~ $8,300,000.00

(6) Statewide, BGS engineering and architectural project costs: ~~$3,677,448.00~~ $3,553,061.00

(7) Statewide, physical security enhancements: ~~$200,000.00~~ $1,000,000.00

(8) ~~Montpelier, 115 State Street, State House lawn, access improvements and water intrusion:~~ ~~$300,000.00~~ [Repealed.]

(9) Montpelier, 120 State Street, life safety and infrastructure improvements: ~~$1,000,000.00~~ $1,500,000.00

* * *

(13) Statewide, strategic building realignments: ~~$300,000.00~~ $250,000.00

(14) Burlington, 108 Cherry Street, parking garage, repair: $300,000.00

(15) Southern State Correctional Facility, steam line replacement: $200,000.00

(16) Statewide, ADA projects, State-owned buildings and courthouses: $74,000.00

(17) Montpelier, 115 State Street and One Baldwin Street, data wiring: $40,000.00

(18) Montpelier, 11 and 13 Green Mountain Drive, planning and siting options for Department of Liquor Control and warehouse: $75,000.00

(19) Waterbury State Office Complex projects, true up: $2,000,000.00

* * *

(e) The Commissioner of Buildings and General Services is authorized to use funds from the amount appropriated in subdivision (c)(5) of this section to:

(1) conduct engineering and design for either a single generator for the State House or a shared generator for the State House and the Capitol Complex, and the related upgrades for the electrical switch gear; and

(2) pay for or reimburse, up to $150,000.00, for costs associated with repairing damage related to the removal of Vermont Interactive Technologies' equipment and wiring; provided, however, that the Commissioner of Buildings and General Services shall not pay for or reimburse labor costs associated with the repair.

(f) The Commissioner of Buildings and General Services is authorized to begin the design of the parking garage at 108 Cherry Street in Burlington, as described in subdivision (c)(14) of this section, prior to the start of the 2017 legislative session if the Commissioner determines it is in the best interest of the State.

Appropriation – FY 2016		$41,313,990.00
Appropriation – FY 2017	~~$29,450,622.00~~	$33,265,235.00
Total Appropriation – Section 2	~~$70,764,612.00~~	$74,579,225.00

Sec. 2. 2015 Acts and Resolves No. 26, Sec. 3 is amended to read:

Sec. 3. ADMINISTRATION

(a) The ~~following sums are~~ sum of $125,000.000 is appropriated in FY 2016 to the Department of Taxes for the Vermont Center for Geographic Information for an ongoing project to update statewide quadrangle maps through digital orthophotographic quadrangle mapping~~:~~

~~(1) $125,000.00 is appropriated in FY 2016.~~

~~(2) $125,000.00 is appropriated in FY 2017~~.

(b) The following sums are appropriated to the Department of Finance and Management for the ERP expansion project (Phase II):

(1) $5,000,000.00 is appropriated in FY 2016.

(2) ~~$9,267,470.00~~ $6,313,881.00 is appropriated in FY 2017.

(c) The sum of $5,463,211.00 is appropriated in FY 2017 to the Agency of Human Services for the Health and Human Services Enterprise IT System.

Appropriation – FY 2016	$5,125,000.00
Appropriation – FY 2017	~~$14,855,681.00~~ $11,777,092.00
Total Appropriation – Section 3	~~$19,980,681.00~~ $16,902,092.00

Sec. 3. 2015 Acts and Resolves No. 26, Sec. 5 is amended to read:

Sec. 5. JUDICIARY

* * *

(c) The following sums are appropriated in FY 2017 to the Judiciary:

(1) Statewide court security systems and improvements: ~~$125,000.00~~ $740,000.00

(2) Judicial case management system: $4,000,000.00

(d) The following sums are appropriated in FY 2017 to the Department of Buildings and General Services for the Judiciary:

(1) Orleans State Courthouse, building assessment and feasibility study: $50,000.00

(2) Barre State Courthouse and Office Building, infrastructure evaluation and design for the Courthouse: $40,000.00

Appropriation – FY 2016	$5,880,000.00
Appropriation – FY 2017	~~$4,125,000.00~~ $4,830,000.00
Total Appropriation – Section 5	~~$10,005,000.00~~ $10,710,000.00

Sec. 4. 2015 Acts and Resolves No. 26, Sec. 6 is amended to read:

Sec. 6. COMMERCE AND COMMUNITY DEVELOPMENT

* * *

(d) The following sums are appropriated in FY 2017 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Underwater preserves: $30,000.00

(2) Placement and replacement of roadside historic markers: $15,000.00

(3) Update statewide quadrangle maps through digital orthophotographic quadrangle mapping: $125,000.00

Appropriation – FY 2016 $393,000.00

Appropriation – FY 2017 ~~$295,000.00~~ $420,000.00

Total Appropriation – Section 6 ~~$688,000.00~~ $813,000.00

Sec. 5. 2015 Acts and Resolves No. 26, Sec. 7 is amended to read:

Sec. 7. GRANT PROGRAMS

* * *

(h) The sum of $200,000.00 is appropriated in FY 2017 to the Enhanced 911 Board for the Enhanced 911 Compliance Grant Program.

Appropriation – FY 2016 $1,400,000.00

Appropriation – FY 2017 ~~$1,400,000.00~~ $1,600,000.00

Total Appropriation – Section 7 ~~$2,800,000.00~~ $3,000,000.00

Sec. 6. 2015 Acts and Resolves No. 26, Sec. 8 is amended to read:

Sec. 8. EDUCATION

(a) The following sums are appropriated in FY 2016 to the Agency of Education for funding the State share of completed school construction projects pursuant to 16 V.S.A. § 3448 and emergency projects:

(1) Emergency projects: ~~$82,188.00~~ $62,175.00

(2) School construction projects: ~~$3,975,500.00~~ $3,995,513.00

(b) The sum of $60,000.00 is appropriated in FY 2017 to the Agency of Education for State aid for emergency projects.

Appropriation – FY 2016 $4,057,688.00

Appropriation – FY 2017 $60,000.00

Total Appropriation – Section 8 $4,117,688.00

Sec. 7. 2015 Acts and Resolves No. 26, Sec. 9 is amended to read:

Sec. 9. UNIVERSITY OF VERMONT

* * *

(b) The sum of $1,400,000.00 is appropriated in FY 2017 to the University of Vermont for construction, renovation, and major maintenance: $1,400,000.00

(c) The General Assembly acknowledges that, pursuant to the terms of the deed, the property located at 195 Colchester Avenue in Burlington shall be transferred from the State to the University of Vermont at no cost to the University, and that the University of Vermont shall retain any proceeds from the sale of the property.

Appropriation – FY 2016	$1,400,000.00
Appropriation – FY 2017	$1,400,000.00
Total Appropriation – Section 9	$2,800,000.00

Sec. 8. 2015 Acts and Resolves No. 26, Sec. 10 is amended to read:

Sec. 10. VERMONT STATE COLLEGES

(a) The following sums are appropriated in FY 2016 to the Vermont State Colleges:

(1) Construction, renovation, and major maintenance: $1,400,000.00

(2) ~~Engineering~~ Randolph, Vermont Technical College, engineering technology laboratories, plan, design, and upgrade: $1,000,000.00

(b) The following sums are appropriated in FY 2017 to the Vermont State Colleges:

(1) Construction, renovation, and major maintenance: $1,400,000.00

(2) ~~Engineering~~ Randolph, Vermont Technical College, engineering technology laboratories, plan, design, and upgrade: $500,000.00

(3) Castleton, Castleton University, engineering technology laboratories, plan, design, and upgrade: $1,000,000.00

(4) Lyndon, Lyndon State College, installation of solar thermal system, sound monitoring equipment: $150,000.00

(c) It is the intent of the General Assembly that the amount appropriated in subdivision (b)(2) of this section shall be used as a challenge grant to raise funds to upgrade engineering technology laboratories at the Vermont Technical College. The funds shall only become available after the Vermont Technical College has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that $500,000.00 in committed funds has been raised to match the appropriation in subdivision (b)(2) of this section and finance additional costs of comprehensive laboratory improvements.

(d) It is the intent of the General Assembly that the amount appropriated in subdivision (b)(3) of this section shall be used as a challenge grant to raise funds to upgrade engineering technology laboratories at Castleton University. Of the amount appropriated, $500,000.00 shall become available upon passage of this act, and the remaining funds shall only become available after Castleton University has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that $500,000.00 in committed funds has been raised as a match to finance costs associated with comprehensive laboratory improvements.

(e) It is the intent of the General Assembly that of the amount appropriated in subdivision (b)(4) of this section, $100,000.00 shall become available upon passage of this act for the installation of the solar thermal system, and the remaining funds shall only become available after Lyndon State College has notified the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and the Commissioner of Finance and Management that $50,000.00 in committed funds has been raised as a match to finance costs associated with the purchase of sound monitoring equipment.

Appropriation – FY 2016	$2,400,000.00
Appropriation – FY 2017	~~$1,900,000.00~~ $3,050,000.00
Total Appropriation – Section 10	~~$4,300,000.00~~ $5,450,000.00

Sec. 9. 2015 Acts and Resolves No. 26, Sec. 11 is amended to read:

Sec. 11. NATURAL RESOURCES

* * *

(d) The following sums are appropriated in FY 2017 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) the Water Pollution Control Fund for the Clean Water State/EPA Revolving Loan Fund (CWSRF) match: $1,300,000.00

* * *

(3) the Drinking Water Supply, Drinking Water State Revolving Fund: ~~$2,538,000.00~~ $2,738,000.00

* * *

(7) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies: $2,276,494.00

(8) Bristol, closure of town landfill: $145,000.00

* * *

(f) The following sums are appropriated in FY 2017 to the Agency of Natural Resources for the Department of Fish and Wildlife:

(1) General infrastructure projects: $875,000.00

(2) Lake Champlain Walleye Association, Inc. to upgrade and repair the walleye rearing, restoration, and stocking infrastructure: $25,000.00

(g) The sum of $2,300,000.00 is appropriated in FY 2017 to the Department of Buildings and General Services for the Department of Fish and Wildlife for the Roxbury fish hatchery reconstruction project.

(h) Notwithstanding any other provision of law, the Commissioner of Environmental Conservation may transfer any funds appropriated in a capital construction act to the Department of Environmental Conservation to support the response to PFOA contamination. If a responsible party reimburses the Department for the cost of any such response, the Department shall use those funds to support the original capital appropriation and shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions of the reimbursement.

Appropriation – FY 2016	$13,481,601.00
Appropriation – FY 2017	~~$13,243,000.00~~ $18,164,494.00
Total Appropriation – Section 11	~~$26,724,601.00~~ $31,646,095.00

Sec. 10. 2015 Acts and Resolves No. 26, Sec. 12 is amended to read:

Sec. 12. MILITARY

* * *

(b) ~~The sum of $750,000.00 is appropriated in FY 2017 to the Department of Military for maintenance, renovations, roof replacements, ADA renovations, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds.~~ The following sums are appropriated in FY 2017 to the Department of Military for the projects described in this subsection:

(1) Construction, maintenance, renovations, roof replacements, and energy upgrades at State armories. To the extent feasible, these funds shall be used to match federal funds: $750,000.00

(2) Randolph, Vermont Veterans Memorial Cemetery, project costs not covered by federal grant funds: $188,000.00

(3) ADA projects, State armories. To the extent feasible, these funds shall be used to match federal funds: $120,000.00

Appropriation – FY 2016 $809,759.00

Appropriation – FY 2017 ~~$750,000.00~~ $1,058,000.00

Total Appropriation – Section 12 ~~$1,559,759.00~~ $1,867,759.00

Sec. 11. 2015 Acts and Resolves No. 26, Sec. 13 is amended to read:

Sec. 13. PUBLIC SAFETY

* * *

(c) The following sums are appropriated in FY 2017 to the Department of Buildings and General Services for the Department of Public Safety as described in this subsection:

(1) Williston, State Police Barracks, site location and proposal, feasibility studies, and program analysis: $250,000.00

(2) Westminster, DPS Facility, project cost adjustment for unanticipated site conditions and code modifications: $400,000.00

(3) Waterbury State Office Complex, blood analysis laboratory, renovations: $460,000.00

(d) The Commissioner of Buildings and General Services is authorized to use up to $50,000.00 of the amount appropriated in subdivision (c)(1) of this section for acoustical enhancements at the Williston Public Safety Answer Point Center (PSAP), if deemed necessary after consultation with the Department of Public Safety. Any funds remaining at the end of the fiscal year may be used to evaluate options to replace the Middlesex State Police Barracks.

Appropriation – FY 2016 $300,000.00

Appropriation – FY 2017 $1,110,000.00

~~Total Appropriation – § 13~~ Total Appropriation – Section 13 $1,410,000.00

Sec. 12. 2015 Acts and Resolves No. 26, Sec. 14 is amended to read:

Sec. 14. AGRICULTURE, FOOD AND MARKETS

* * *

(b) The following sums are appropriated in FY 2017 to the Agency of Agriculture, Food and Markets for the projects described in this subsection:

(1) Best Management Practices and Conservation Reserve Enhancement Program: $1,800,000.00

(2) Vermont Exposition Center Building, upgrades: $115,000.00

(3) Vermont Environment and Agricultural Laboratory, equipment: $455,000.00

Appropriation – FY 2016 $2,202,412.00

Appropriation – FY 2017 ~~$1,915,000.00~~ $2,370,000.00

Total Appropriation – Section 14 ~~$4,117,412.00~~ $4,572,412.00

Sec. 13. 2015 Acts and Resolves No. 26, Sec. 18 is amended to read:

Sec. 18. VERMONT HOUSING AND CONSERVATION BOARD

* * *

(b) The following amounts are appropriated in FY 2017 to the Vermont Housing and Conservation Board.

(1) Statewide, water quality improvement projects: $1,000,000.00

(2) Housing: $1,800,000.00

(3) Downtown development projects: $1,200,000.00

(c) The Vermont Housing and Conservation Board shall use the funds appropriated in subdivision (b)(3) of this section to leverage other resources to assist economically distressed downtowns in the Northeast Kingdom. The funds shall be held in reserve until appropriate affordable housing, historic preservation, community parks, or public access to water projects can be developed. The Vermont Housing and Conservation Board may allocate up to ten percent of the funds to assist communities or community-based nonprofit organizations to support predevelopment or planning activities necessary for project implementation. It is the intent of the General Assembly that priority is given to communities acting on recommendations from a Vermont Council on Rural Development community visit, and that priority projects shall include distressed historic buildings where investment can help stabilize and improve the surrounding neighborhood.

(d) Notwithstanding the amounts allocated in subsection (b) of this section, the Vermont Housing and Conservation Board may use the amounts appropriated in subdivisions (b)(2) and (b)(3) of this section to increase the amount it allocates to conservation grant awards; provided, however, that the Vermont Housing and Conservation Board increases any affordable housing investments by the same amount from funds appropriated to the Vermont Housing and Conservation Board in the FY 2017 Appropriations Act.

Appropriation – FY 2016 $4,550,000.00

Appropriation – FY 2017 ~~$2,800,000.00~~ $4,000,000.00

Total Appropriation – Section 18 ~~$7,350,000.00~~ $8,550,000.00

Sec. 14. 2015 Acts and Resolves No. 26, Sec. 19 is amended to read:

Sec. 19. VERMONT INTERACTIVE TECHNOLOGIES

~~$220,000.00~~ The sum of $110,810.64 is appropriated in FY 2016 to the Vermont State Colleges on behalf of Vermont Interactive Technologies (VIT) for all costs associated with the dissolution of VIT's operations.

Total Appropriation – Section 19 ~~$220,000.00~~ $110,810.64

Sec. 15. 2015 Acts and Resolves No. 26, Sec. 20 is amended to read:

Sec. 20. GENERAL ASSEMBLY

* * *

(b) The sum of $60,000.00 is appropriated in FY 2016 to the Joint Fiscal Office to hire consultant services for a security and safety protocol for the State House, as described in Sec. 46 of this act. Any funds remaining at the end of the fiscal year shall be reallocated to the Sergeant at Arms to support the project described in subsection (c) of this section.

(c) The sum of $145,000.00 is appropriated in FY 2017 to the Sergeant at Arms for security enhancements in the State House, as described in Sec. 36 of this act.

Total Appropriation – Section 20 ~~$180,000.00~~ $325,000.00

Sec. 16. 2015 Acts and Resolves No. 26, Sec. 20a is added to read:

Sec. 20a. PUBLIC SERVICE

The sum of $300,000.00 is appropriated to the Department of Public Service for the Connectivity Initiative, established in 30 V.S.A. § 7515b.

Appropriation – FY 2017	$300,000.00
Total Appropriation – Section 20a	$300,000.00

Sec. 17. 2015 Acts and Resolves No. 26, Sec. 21 is amended to read:

Sec. 21. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

* * *

(3) of the amount appropriated in ~~2011~~ 2012 Acts and Resolves No. ~~40~~ 104, Sec. ~~2(b)~~ 2(c)(8) (State House committee renovations): $28,702.15

* * *

(11) of the amount appropriated in 2008 Acts and Resolves No. 200, Sec. 20 (Vermont Veterans Home): $206.36

(12) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 2(b) (Hebard State Office Building): $5,838.85

(13) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 4(a) (Health laboratory): $0.06

(14) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 7(b)(2) (Historic Barns Preservation Grants): $2,050.00

(15) of the amount appropriated in 2012 Acts and Resolves No. 104, Sec. 2(c)(7) (Vermont Veterans Memorial Cemetery Master Plan): $1,622.94

(16) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 2(b)(16) (Barre Courthouse and State Office Building, pellet boiler): $96,389.57

(17) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 11(a)(water pollution control): $16,464.86

(18) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 13(c) (land purchase and feasibility studies): $150,000.00

(19) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 13(d) (Public Safety land purchases): $299,022.00

(20) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (Department of Labor parking lot expansion): $71,309.26

(21) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c) (BGS engineering, project management, and architectural cost): $113,411.93

(22) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c)(17)(State House, security enhancements): $142,732.59

(23) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2(c)(18) (State House maintenance and upgrades and renovations): $100,000.00

(24) of the amount appropriated to the Historic Property Stabilization and Rehabilitation Special Fund established in 29 V.S.A. § 155: $50,000.00

(25) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 12(a) to the Vermont Veterans Memorial Cemetery: $38,135.00

(b) The following unexpended funds appropriated to the Agency of Natural Resources for capital construction projects are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

* * *

(6) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 6 (water pollution control projects): $3,253.00

(7) of the amount appropriated to the Vermont Pollution Control Revolving Fund established in 24 V.S.A. § 4753: $496,147.71

(8) of the amount appropriated to the Vermont Water Source Protection Fund established in 24 V.S.A. § 4753: $200,000.00

(c) The following sums are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

* * *

(6) of the proceeds from the sale of property authorized in 2009 Acts and Resolves No. 43, Sec. 25 (1193 North Ave., Thayer School): $60,991.12

(d) The amount appropriated in subdivision (b)(8) of this section shall be directed to the amount appropriated to the Vermont Environmental Protection Agency (EPA) Drinking Water State Revolving Fund in Sec. 11(d)(3) of this act.

Reallocations and Transfers – FY 2016	$1,648,656.08
Reallocations and Transfers – FY 2017	$1,847,575.25
Total Reallocations and Transfers – Section 21	~~$1,648,656.08~~ $3,496,231.33

Sec. 18. 2015 Acts and Resolves No. 26, Sec. 22 is amended to read:

Sec. 22. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

* * *

(c) The State Treasurer is authorized to issue additional general obligation bonds in the amount of $9,398,753.35 that were previously authorized but unissued under 2015 Acts and Resolves No. 26 for the purpose of funding the appropriations in this act.

Total Revenues – Section 22	~~$155,559,096.05~~ $164,957,849.40

* * * Policy * * *

* * * Buildings and General Services * * *

Sec. 19. WATERBURY STATE OFFICE COMPLEX; PROPERTY TRANSACTIONS

(a) The Commissioner of Buildings and General Services is authorized to transfer the parcel of land designated as Lot 6A on the map prepared by Engineering Ventures PC entitled "Waterbury State Office Complex Restoration" and dated June 24, 2013, as revised by the Department of Buildings and General Services on March 24, 2016, to the owners of the property located at 28 Park Row in Waterbury; provided, however, that the owners of the property shall be required to pay any costs associated with the transfer.

(b) The Commissioner of Buildings and General Services shall survey the parcel of land designated as Lot 8 on the map prepared by Engineering Ventures PC entitled "Waterbury State Office Complex Restoration" and dated June 24, 2013, as revised by the Department of Buildings and General Services on March 24, 2016.

Sec. 20. HOSKISON PROPERTY; PLYMOUTH; TRANSACTION

Notwithstanding 29 V.S.A. § 166(b), the Department of Buildings and General Services is authorized to transfer, sell, demolish, or gift the house located on the Hoskison property deeded to the State of Vermont in 2006 that abuts the Calvin Coolidge State Historic Site in Plymouth Notch.

Sec. 21. MONTPELIER; 144 STATE STREET; PROPERTY TRANSACTION

Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell, subdivide, lease, lease purchase, or enter into a common interest community agreement for the property located at 144 State Street in Montpelier, if the Commissioner determines that it is in the best interest of the State. Any agreement shall ensure that the State receives fair market value for the property, and costs associated with the sale, including relocation costs.

Sec. 22. VERMONT AGRICULTURE AND ENVIRONMENTAL LABORATORY; BIOMASS FACILITY

(a) The Commissioner of Buildings and General Services shall evaluate opportunities for the future development of biomass facilities to support the Vermont Agriculture and Environmental laboratory in Randolph if the Commissioner determines that it is in the best interest of the State. The Commissioner shall ensure that all opportunities are consistent with the State Agency Energy Plan.

(b) On or before December 1, 2016, the Commissioner shall report back to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the findings of the evaluation described in subsection (a) of this section.

Sec. 23. VERMONT AGRICULTURE AND ENVIRONMENTAL LABORATORY; ROXBURY HATCHERY; CONSTRUCTION

The Department of Buildings and General Services is authorized to enter into contractual obligations for construction for the following projects:

(1) the Vermont Agriculture and Environmental Laboratory, located at the Vermont Technical College site in Randolph, Vermont; and

(2) Roxbury Fish Hatchery, located in Roxbury, Vermont.

Sec. 24. 2011 Acts and Resolves No. 40, Sec. 26(b) is amended to read:

(b) The ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services on behalf of the ~~division for historic preservation~~ Division for Historic Preservation is authorized to enter into the agreements specified for the following properties, the proceeds of which shall be dedicated to the fund created by Sec. 30 of this act:

(1) Fuller farmhouse at the Hubbardton Battlefield ~~state~~ State historic site, authority to ~~sell or enter into a long-term lease with covenants~~ demolish the farmhouse if the Town of Hubbardton and the Hubbardton Historical Society are not able to find adequate funding to use the farmhouse by July 1, 2016; provided, however, that if the farmhouse is demolished, the foundation shall be capped to preserve any potential archaeological sites.

* * *

(3) Bishop Cabin at Mount Independence State Historic Site in Orwell, authority to ~~sell or enter into a long-term lease with covenants on the land~~ demolish the Cabin and remove all materials.

* * *

Sec. 25. 2011 Acts and Resolves No. 40, Sec. 29, amending 2010 Acts and Resolves No. 161, Sec. 25(f), is amended to read:

(f) Following consultation with the ~~state advisory council on historic preservation~~ State Advisory Council on Historic Preservation as required by 22 V.S.A. § 742(7) and pursuant to 29 V.S.A. § 166, the ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services is authorized to subdivide and sell the house, barn, and up to 10 acres of land at 3469 Lower Newton Road in St. Albans. ~~Net proceeds of the sale shall be deposited in the historic property stabilization and rehabilitation fund established in Sec. 30 of this act.~~

Sec. 26. 29 V.S.A. § 155 is amended to read:

§ 155. ~~HISTORIC PROPERTY STABILIZATION AND REHABILITATION SPECIAL FUND~~

~~(a) There is established a special fund managed by and under the authority and control of the Commissioner, comprising net revenue from the sale or lease of underutilized State-owned historic property to be used for the purposes set forth in this section. Any remaining balance at the end of the fiscal year shall be carried forward in the Fund; provided, however, that if the Fund balance exceeds $250,000.00 as of November 15 in any year, then the General Assembly shall reallocate funds not subject to encumbrances for other purposes in the next enacted capital appropriations bill.~~

~~(b) Monies in the Fund shall be available to the Department for the rehabilitation or stabilization of State-owned historic properties that are authorized by the General Assembly to be in the Fund program, for payment of costs of historic resource evaluations and archeological investigations, for building assessments related to a potential sale or lease, for one-time fees for easement stewardship and monitoring, and for related one-time expenses.~~

~~(c) On or before January 15 of each year, the Department shall report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions concerning deposits into and disbursements from the Fund occurring in the previous calendar year, the properties sold, leased, stabilized, or rehabilitated during that period, and the Department's plans for future stabilization or rehabilitation of State-owned historic properties.~~

~~(d) Annually, the list presented to the General Assembly of State-owned property the Commissioner seeks approval to sell pursuant to section 166 of this title shall identify those properties the Commissioner has identified as underutilized State-owned historic property pursuant to subsection (b) of this section.~~

~~(e) For purposes of this section, "historic property" has the same meaning as defined in 22 V.S.A. § 701.~~ [Repealed.]

Sec. 27. 29 V.S.A. § 1556 is amended to read:

§ 1556. STATE SURPLUS PROPERTY

(a) All material, equipment, and supplies found to be surplus by any ~~state~~ State agency or department shall be transferred to the ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services. The ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services shall be responsible for the disposal of surplus ~~state~~ State property. The ~~commissioner of buildings and general services~~ Commissioner of Buildings and General Services may:

(1) transfer the property to any other ~~state~~ State agency or department having a justifiable need for the property, or transfer to any municipality, school, or nonprofit organization having a justifiable need as determined by a State agency or department, and assess an administrative fee if deemed appropriate;

(2) store or warehouse the property for future needs of the ~~state~~ State;

(3) transfer the property to municipalities for town highways and bridges;

(4) after giving priority to the provisions of subdivisions (1), (2), and (3) of this ~~section~~ subsection, transfer used bridge beams and other surplus material, equipment, and supplies to VAST, the local affiliates of VAST, or to municipalities cooperating with VAST or municipalities developing and maintaining their own trail system;

(5) recondition and repair any property for use or sale when economically feasible;

(6) sell surplus property by any suitable means, including ~~but not limited to,~~ bids or auctions;

(7) donate, at no charge, surplus motor vehicles and related equipment, to any nonprofit entity engaged in rehabilitating and redistributing motor vehicles to ~~low income~~ Vermont residents with low income, provided that the ~~commissioner~~ Commissioner has first attempted to sell or satisfy the needs of the ~~state~~ State for the vehicles or equipment concerned.

(b) Any municipality, school, or nonprofit organization that receives a transfer of property pursuant to this section shall assume ownership of the property from the State.

Sec. 28. 29 V.S.A. § 821(b) is amended to read:

(b) State correctional facilities. The names of State correctional facilities shall be as follows:

* * *

~~(10) In Waterbury, "Dale Correctional Facility."~~

Sec. 29. SOUTHEAST STATE CORRECTIONAL FACILITY; WINDSOR; LAND TRANSFER

(a) On or before August 1, 2016, the Department of Buildings and General Services shall conduct a survey of the 160-acre portion of the State-owned parcel in the Town of Windsor known as the "Windsor Prison Farm" that is under the jurisdiction of the Department of Buildings and General Services and described in Executive Order 08-15. The survey shall identify the boundaries

for all of the land used by the Departments of Corrections and of Buildings and General Services for the operation and security of the Southeast State Correctional Facility.

(b) Within 30 days of receipt of the survey described in subsection (a) of this section, the Commissioner of Buildings and General Services shall transfer to the jurisdiction of the Department of Fish and Wildlife the portion of the land identified in the survey that is not used by the Departments of Buildings and General Services and of Corrections for the operation and security of the Southeast State Correctional Facility.

* * * Corrections * * *

Sec. 30. STATE CORRECTIONAL FACILITIES; COMMITTEE; ASSESSMENT; REPORT

(a) Creation. There is created a Correctional Facility Planning Committee to develop a 20-year capital plan for, and assess the population needs at, State correctional facilities.

(b) Membership. The Committee shall be composed of the following:

(1) the Commissioner of Corrections or designee, who shall serve as chair;

(2) the Commissioner of Finance and Management or designee;

(3) the Commissioner of Buildings and General Services or designee;

(4) the Commissioner for Children and Families or designee;

(5) the Commissioner of Mental Health or designee;

(6) the Commissioner of Disabilities, Aging, and Independent Living or designee; and

(7) the Executive Director of the Crime Research Group or designee.

(c) Powers and duties. The Committee shall assess the capital and programming needs of State correctional facilities, which shall include the following:

(1) An evaluation of the use, condition, and maintenance needs of each State correctional facility, including whether any facility should be closed renovated, relocated, or repurposed. This evaluation shall include an update of the most recent facilities assessment as of June 30, 2016:

(A) each facility's replacement value;

(B) each facility's deferred maintenance schedule; and

(C) the cost of each facility's five-, ten-, and 15-year scheduled maintenance.

(2) An analysis of the historic population trends of State correctional facilities, and anticipated future population trends, including age, gender, and medical, mental health, and substance abuse conditions.

(3) An evaluation of whether the design and use of existing facilities adequately serve the current population and anticipated future populations, including whether the Out-of-State inmate program may be eliminated and the feasibility of constructing new infrastructure more suitable for current and future populations.

(4) An investigation into the options for cost savings, including public–private partnerships.

(5) An evaluation on potential site locations for a replacement State correctional facility.

(d) Report and recommendations. On or before February 1, 2017, the Committee shall submit a report based on the assessment described in subsection (c) of this section, and any recommendations for legislative action, to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

* * * Judiciary * * *

Sec. 31. JUDICIARY; COUNTY COURTHOUSE; CAPITAL BUDGET REQUESTS

(a) On or before October 1 each year, any county requesting capital funds for its courthouse, or court operations, shall submit a request to the Court Administrator.

(b) The Court Administrator shall evaluate requests based on the following criteria:

(1) whether the funding request relates to an emergency that will affect the court operations and the administration of justice;

(2) whether there is a State-owned courthouse in the county that could absorb court activities in lieu of this capital investment;

(3) whether the county consistently invested in major maintenance in the courthouse;

(4) whether the request relates to a State-mandated function;

(5) whether the request diverts resources of other current Judiciary capital priorities;

(6) whether the request is consistent with the long-term capital needs of the Judiciary, including providing court services adapted to modern needs and requirements; and

(7) any other criteria as deemed appropriate by the Court Administrator.

(c) Based on the criteria described in subsection (b) of this section, the Court Administrator shall make a recommendation to the Commissioner of Buildings and General Services regarding whether the county's request should be included as part of the Judiciary's request for capital funding in the Governor's annual proposed capital budget request.

(d) On or before January 15 of each year, the Court Administrator shall advise the House Committee on Corrections and Institutions and the Senate Committee on Institutions of all county requests received and the Court Administrator's recommendations for the proposed capital budget request.

* * * Natural Resources * * *

Sec. 32. HAZARDOUS MATERIAL RESPONSE; PROJECTED CAPITAL NEEDS; BENNINGTON

On or before January 15, 2017, the Commissioner of Environmental Conservation shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the projected capital costs in fiscal year 2018 for the Department to investigate and mitigate the effects of hazardous material releases to the environment in Bennington.

* * * Public Safety * * *

Sec. 33. BRADFORD STATE POLICE BARRACKS

On or before December 1, 2016, the Commissioners of Buildings and General Services and of Public Safety shall investigate opportunities for the Bradford State Police Barracks, including selling, leasing, or gifting the property, and shall report back with the findings to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Sec. 34. PUBLIC SAFETY; PUBLIC SAFETY FIELD STATION; SITE LOCATION; WILLISTON POLICE BARRACKS

(a) The Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, is authorized to use funds appropriated in Sec. 11 of this act to evaluate options for the site location of a public safety field station and an equipment storage facility. The investigation may include conducting feasibility studies and program analysis, site selection, purchase and lease-purchase opportunities, and consolidation of the two facilities.

(b) On or before October 10, 2016, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, shall submit a recommendation for a site location for the public safety field station and the equipment storage facility to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, based on the evaluation described in subsection (a) of this section. It is the intent of the General Assembly that when evaluating site locations, preference shall be first given to State-owned property located in Chittenden County.

(c) The Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, in consultation with the members of the House Committee on Corrections and Institutions and the Senate Committee on Institutions, shall review the recommendation described in subsection (a) of this section. The House Committee on Corrections and Institutions and the Senate Committee on Institutions may each meet up to one time when the General Assembly is not in session to review the recommendation. The Committees shall notify the Commissioners of Buildings and General Services and of Public Safety of any meeting. Committee members shall be entitled to receive a per diem and expenses as provided in 2 V.S.A. § 406.

(d) On or before December 1, 2016, the Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, shall develop a detailed proposal on the site location based on the recommendation described in subsection (a) of this section; provided, however, that the Commissioner shall not proceed without unanimous approval of the site location by the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. The proposal shall include programming, size, design, and preliminary cost estimates for either separate or consolidated facilities.

(e) The Commissioner of Buildings and General Services shall notify the House Committee on Corrections and Institutions and the Senate Committee on Institutions at least monthly of updates on the proposals described in this section.

Sec. 35. 24 V.S.A. § 5609 is added to read:

§ 5609. ENHANCED 911 COMPLIANCE GRANTS PROGRAM

(a) Grant guidelines. The following guidelines shall apply to capital grants associated with the planning and implementation of the Enhanced 911 program in schools pursuant to 30 V.S.A. § 7057:

(1) Grants shall be awarded competitively to schools for fees and equipment necessary to comply with and implement the Enhanced 911 program.

(2) The Program is authorized to award matching grants of up to $25,000.00 per project. The required match shall be met through dollars raised and not in-kind services.

(b) Administration. The Enhanced 911 Board, established in 30 V.S.A. § 7052, shall administer and coordinate grants made pursuant to this section, and shall have the authority to award grants in its sole discretion.

* * * Security * * *

Sec. 36. STATE HOUSE SECURITY

(a) The Sergeant at Arms is authorized to use funds appropriated in Sec. 15 of this act to:

(1) install seven security cameras in the State House;

(2) install a remote lockdown system for doors to the State House; and

(3) conduct trainings at the State House.

(b) The Sergeant at Arms shall consult with the Commissioner of Buildings and General Services on the design and installation of the security enhancements described in subsection (a) of this section.

(c) On or before August 1, 2016, the Capitol Complex Security Advisory Committee, established in 2 V.S.A. § 991, shall develop both a camera retention procedure and lockdown guidelines for the State House; provided, however, that any camera procedure developed by the Committee shall limit access to the Sergeant at Arms and the Capitol Police, and shall limit data retention to no more than 30 days. The camera retention procedure and lockdown guidelines shall only become effective after unanimous approval by the Senate President Pro Tempore or designee, the Speaker of the House or designee, the Sergeant at Arms, and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions. No cameras shall be installed until the procedures have been approved.

(d) It is the intent of the General Assembly that the cameras described in subdivision (a)(1) of this section shall be installed at the entrances of the State House and shall be fixed on points of ingress.

* * * Effective Dates * * *

Sec. 37. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 26 (Historic Property Stabilization and Rehabilitation Special Fund; repeal) shall take effect on July 1, 2017.

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

Senator Campbell, 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 Institutions with the following amendments thereto:

First: In Sec. 13, in subsection (c), in the second sentence, after the following: community parks, by inserting the following: public facilities,

Second: By striking out Sec. 32, Hazardous Material Response; Projected Capital Needs; Bennington, in its entirety and inserting in lieu thereof the following:

Sec. 32. HAZARDOUS MATERIAL RESPONSE; PROJECTED CAPITAL NEEDS; BENNINGTON

On or before January 15, 2017, the Commissioner of Environmental Conservation shall submit a report to the House Committees on Corrections and Institutions and on Ways and Means, and the Senate Committees on Finance and on Institutions, on the following:

(1) the projected costs in fiscal year 2018, including capital costs, for the Department to investigate and respond to the effects of hazardous material releases to the environment in Bennington;

(2) other projected obligations of the Environmental Contingency Fund, established in 10 V.S.A. § 1283; and

(3) specific recommendations for funding the Environmental Contingency Fund in order to meet the State's obligations with respect to releases of hazardous materials.

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 Institutions was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Institutions, as amended, was agreed to and third reading of the bill was ordered.

Third Reading Ordered

H. 65.

Senator Starr, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to designating the Gilfeather turnip as the State Vegetable.

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.

Committee of Conference Appointed

H. 873.

An act relating to making miscellaneous tax changes.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Ashe
Senator Ayer
Senator Lyons

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Adjournment

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

FRIDAY, APRIL 29, 2016

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

Message from the House No. 60

A message was received from the House of Representatives by Mr. Jeremy Weiss, 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. 189. An act relating to foster parents' rights and protections.

S. 215. An act relating to the regulation of vision insurance plans.

S. 216. An act relating to prescription drug formularies.

S. 230. An act relating to improving the siting of energy projects.

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. 114. An act relating to the Open Meeting Law.

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

Rep. Martin of Wolcott
Rep. Townsend of South Burlington
Rep. LaClair of Barre Town.

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. 174. An act relating to a model State policy for use of body cameras by law enforcement officers.

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

Rep. Hubert of Milton
Rep. Evans of Essex
Rep. Lewis of Berlin.

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

H. 112. An act relating to access to financial information in adult protective services investigations.

And has severally concurred therein.

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

H. 845. An act relating to legislative review of certain report requirements.

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 April 26, 2016, he approved and signed a bill originating in the House of the following title:

H. 530. An act relating to categorization of State contracts for service.

Bill Passed in Concurrence

H. 308.

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

An act relating to limiting the liability of VAST arising from snowmobile operation outside the Statewide Snowmobile Trail System.

Bill Passed in Concurrence with Proposal of Amendment

H. 876.

House bill of the following title:

An act relating to the transportation capital program and miscellaneous changes to transportation-related law.

Was taken up read the third time and passed in concurrence with proposal of amendment on a roll call, Yeas 23, Nays 0.

Senator Mazza 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, Balint, Baruth, Benning, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, Nitka, Pollina, Riehle, Rodgers, Sears, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Bray, Campbell, Campion, McAllister (suspended), McCormack, Mullin, Sirotkin.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 878.

House bill entitled:

An act relating to capital construction and State bonding budget adjustment.

Was taken up.

Thereupon, pending third reading of the bill, Senator Flory moved to amend the Senate proposal of amendment as follows:

First: In Sec. 8, amending 2015 Acts and Resolves No. 26, Sec. 10, in subdivision (b)(3), by striking out the words "engineering technology" and inserting in lieu thereof the word science and in subsection (d), in the first sentence, by striking out the words "engineering technology" and inserting in lieu thereof the word science

Second: By striking out Sec. 31 in its entirety and inserting in lieu thereof a new Sec. 31 to read as follows:

Sec. 31. 4 V.S.A. § 38 is added to read:

§ 38. CAPITAL BUDGET REQUESTS; COUNTY COURTHOUSES

(a) On or before October 1 each year, any county requesting capital funds for its courthouse, or court operations, shall submit a request to the Court Administrator.

(b) The Court Administrator shall evaluate requests based on the following criteria:

(1) whether the funding request relates to an emergency that will affect the court operations and the administration of justice;

(2) whether there is a State-owned courthouse in the county that could absorb court activities in lieu of this capital investment;

(3) whether the county consistently has invested in major maintenance in the courthouse;

(4) whether the request relates to a State-mandated function;

(5) whether the request diverts resources of other current Judiciary capital priorities;

(6) whether the request is consistent with the long-term capital needs of the Judiciary, including providing court services adapted to modern needs and requirements; and

(7) any other criteria as deemed appropriate by the Court Administrator.

(c) Based on the criteria described in subsection (b) of this section, the Court Administrator shall make a recommendation to the Commissioner of Buildings and General Services regarding whether the county's request should be included as part of the Judiciary's request for capital funding in the Governor's annual proposed capital budget request.

(d) On or before January 15 of each year, the Court Administrator shall advise the House Committee on Corrections and Institutions and the Senate Committee on Institutions of all county requests received and the Court Administrator's recommendations for the proposed capital budget request.

Third: In Sec. 32, in the section heading, by striking out the following: "; Bennington" and in subsection (1) at the end of the first sentence, by striking out the following: "in Bennington"

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 Flory 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, Balint, Baruth, Benning, Bray, Campbell, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, Mullin, Nitka, Pollina, Riehle, Rodgers, Sears, Starr, Westman, White, Zuckerman.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Campion, McAllister (suspended), McCormack, Sirotkin.

Proposal of Amendment; Third Reading Ordered

H. 571.

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

An act relating to driver's license suspensions, driving with a suspended license, and DUI penalties.

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:

* * * Pre-July 1, 1990 Criminal Traffic Offenses * * *

Sec. 1. TERMINATION OF SUSPENSIONS ARISING FROM PRE-JULY 1, 1990 CRIMINAL TRAFFIC OFFENSES

(a) Background.

(1) Prior to July 1, 1990, traffic offenses that are handled as civil traffic violations under current Vermont law were charged as criminal offenses.

(2) A defendant's failure to appear on such charges resulted in suspension of the defendant's privilege to operate a motor vehicle in Vermont.

(3) As of February 2016, approximately 26,260 defendants who failed to appear in connection with pre-July 1, 1990 criminal traffic charges have pending suspensions as a result of their failure to appear. None of these charges relate to conduct that is criminal under current Vermont law.

(4) Many of the criminal complaints in these matters are fire- and water-damaged. In many of these cases, the facts underlying the complaints no longer can be proved.

(5) On February 22, 2016, the Office of the Attorney General mailed to all Criminal Divisions of the Superior Court and to the Judicial Bureau notices of dismissal of these pre-July 1, 1990 charges.

(b) Termination of suspensions.

(1) Notwithstanding 23 V.S.A. § 675 (fee prior to termination of suspension), as soon as possible after this act takes effect, the Commissioner of Motor Vehicles shall, without requiring an application or payment of a fee, terminate pending suspensions of a person's license or privilege to operate a motor vehicle that resulted from the person's failure to appear prior to July 1, 1990 on a criminal traffic offense charged by the State for conduct that is a civil traffic violation under current Vermont law.

(2) This subsection shall not affect pending suspensions of a person's license or privilege to operate other than those specifically described in subdivision (1) of this subsection.

* * * Driver Restoration Program * * *

Sec. 2. DRIVER RESTORATION PROGRAM

(a) Program established; one-time event.

(1) The Judicial Bureau and the Department of Motor Vehicles shall carry out a Driver Restoration Program (Program) from September 1, 2016 through November 30, 2016 (the "Program time period"). It is the intent of the General Assembly that the Program be a one-time event.

(2) As used in this section, "suspension" means a suspension of a person's license or privilege to operate a motor vehicle in Vermont imposed by the Commissioner of Motor Vehicles.

(3) The Program is only targeted at suspensions arising from nonpayment of a traffic violation judgment. Even if a person benefits under the Program from the termination of suspensions arising from nonpayment of traffic violation judgments, other suspensions such as those arising from driving under the influence in violation of 23 V.S.A. chapter 13, subchapter 13 shall remain in effect.

(b) Traffic violation judgments entered before July 1, 2006; exception.

(1) During the Program time period, a person who has not paid in full the amount due on a traffic violation judgment entered prior to July 1, 2006 may apply to the Judicial Bureau for a reduction in the amount due on a form approved by the Court Administrator. Judgments for traffic violations that involve violation of a law specifically governing the operation of commercial motor vehicles shall not be eligible for reduction under the Program. The Program shall not apply to pre-July 1, 1990 criminal traffic offenses.

(2) A person shall be permitted to apply in person or through the mail. The Judicial Bureau may accept applications electronically or by other means.

(3) If a person submits a complete application during the Program time period and the judgment is eligible for reduction under subdivision (1) of this subsection, the Clerk of the Judicial Bureau or designee shall reduce the amount due on the judgment to $30.00. Amounts paid toward a traffic violation judgment prior to the Judicial Bureau's granting an application under this subsection shall not be refunded or credited toward the amount due under the amended judgment.

(c) Consistent with Sec. 5 of this act, amending 4 V.S.A. § 1109 to direct the Judicial Bureau to provide a more flexible payment plan option, a person who has an amount due on a traffic violation judgment shall not be required to pay more than $100.00 per month in order to be current on all of his or her traffic violation judgments, regardless of the dates when the judgments were entered. This subsection shall not be limited by the Program time period.

(d) Restoration of driving privileges.

(1) If a person has paid all traffic violation judgments reduced under subsection (b) of this section, and is under a payment plan for any other outstanding traffic violation judgments, the Judicial Bureau shall notify the Department of Motor Vehicles that the person is in compliance with his or her obligations.

(2) Notwithstanding 23 V.S.A. § 675 (fee prior to termination of suspension), the Commissioner of Motor Vehicles shall:

(A) upon receipt of the notice of compliance from the Judicial Bureau and without requiring an application or payment of a reinstatement fee, terminate suspensions arising from nonpayment of a traffic violation judgment of a person described in subdivision (1) of this subsection (d);

(B) during the Program time period and without requiring an application or payment of a reinstatement fee, terminate suspensions arising from nonpayment of a traffic violation judgment of a person who has paid all outstanding traffic violation judgments in full or is in compliance with a Judicial Bureau payment plan prior to December 1, 2016.

(3) If a person described in subdivision (1) or (2)(B) of this subsection fails to make a payment under a payment plan, the Judicial Bureau shall notify the Department of Motor Vehicles if required under 4 V.S.A. § 1109, as amended by Sec. 5 of this act.

(4) This subsection shall not affect pending suspensions other than as specifically described in this subsection.

(e) Public awareness campaign. Prior to the start of the Program, the Agency of Transportation shall commence a campaign to raise public awareness of the Program, and shall conduct the campaign until the end of the Program. The Judicial Bureau, the Department of Motor Vehicles, and the Agency of Transportation shall prominently advertise the Program on their websites until the Program ends.

(f) Allocation of amounts collected. Amounts collected on traffic violation judgments reduced under subsection (b) of this section shall be allocated in accordance with the Process Review approved by the Court Administrator's Office entitled "Revenue Distributions - Civil Violations" and dated November 3, 2015.

* * * Termination of Suspensions Repealed in Act * * *

Sec. 3. TERMINATION OF SUSPENSIONS REPEALED IN ACT

Notwithstanding 23 V.S.A. § 675 (fee prior to termination of suspension), as soon as possible after this act takes effect, the Commissioner of Motor Vehicles shall, without requiring an application or payment of a fee, terminate pending suspensions of a person's license or privilege to operate a motor vehicle and refusals of a person's license or privilege to operate that were imposed pursuant to the following provisions:

(1) 7 V.S.A. § 656(g) (underage alcohol violation; failure to pay civil penalty);

(2) 7 V.S.A. § 1005 (underage tobacco violation);

(3) 13 V.S.A. § 1753 (false public alarm; students and minors);

(4) 18 V.S.A. § 4230b(g) (underage marijuana violation; failure to pay civil penalty); and

(5) 32 V.S.A. § 8909 (driver's license suspensions for nonpayment of purchase and use tax).

* * * Amendment or Repeal of License Suspension and Registration Refusal Provisions and Underage Alcohol and Marijuana Crimes * * *

Sec. 4. REPEALS

23 V.S.A. §§ 305a (registration not renewed following nonpayment of traffic violation judgment) and 2307 (remedies for failure to pay traffic violations) are repealed.

Sec. 5. 4 V.S.A. § 1109 is amended to read:

§ 1109. REMEDIES FOR FAILURE TO PAY; CONTEMPT

(a) Definitions. As used in this section:

(1) "Amount due" means all financial assessments contained in a Judicial Bureau judgment, including penalties, fines, surcharges, court costs, and any other assessment authorized by law.

(2) "Designated collection agency" means a collection agency designated by the Court Administrator.

(3) [Repealed.]

(b) Late fees; suspensions for nonpayment of certain traffic violation judgments.

(1) A Judicial Bureau judgment shall provide notice that a $30.00 fee shall be assessed for failure to pay within 30 days. If the defendant fails to pay the amount due within 30 days, the fee shall be added to the judgment amount and deposited in the Court Technology Special Fund established pursuant to section 27 of this title.

(2)(A) In the case of a traffic violation judgment, the judgment shall contain a notice that failure to pay or otherwise satisfy the amount due within 30 days of the notice will result in suspension of the person's operator's license or privilege to operate, and that payment plan options are available. If the defendant fails to pay the amount due within 30 days of the notice, or by a later date as determined by a Judicial Bureau clerk or hearing officer, and the case is not pending on appeal, the Judicial Bureau shall provide electronic notice thereof to the Commissioner of Motor Vehicles. After 20 days from the date

of receiving the electronic notice, the Commissioner shall suspend the person's operator's license or privilege to operate for a period of 30 days or until the amount due is satisfied, whichever is earlier.

(B) At minimum, the Judicial Bureau shall offer a payment plan option that allows a person to avoid a suspension of his or her license or privilege to operate by paying no more than $30.00 per traffic violation judgment per month, and not to exceed $100.00 per month if the person has four or more outstanding judgments.

(c)(1) Civil contempt proceedings. If an amount due remains unpaid for 75 days after the Judicial Bureau provides the defendant with a notice of judgment, the Judicial Bureau may initiate civil contempt proceedings pursuant to this subsection.

~~(1)~~(2) Notice of hearing. The Judicial Bureau shall provide notice by first class mail sent to the defendant's last known address that a contempt hearing will be held pursuant to this subsection, and that failure to appear at the contempt hearing may result in the sanctions listed in subdivision ~~(2)~~(3) of this subsection.

~~(2)~~(3) Failure to appear. If the defendant fails to appear at the contempt hearing, the hearing officer may direct the clerk of the Judicial Bureau to do one or more of the following:

(A) ~~Cause~~ cause the matter to be reported to one or more designated collection agencies~~.~~; or

(B) ~~Refer~~ refer the matter to the Criminal Division of the Superior Court for contempt proceedings.

(C) ~~Provide electronic notice thereof to the Commissioner of Motor Vehicles who shall suspend the person's operator's license or privilege to operate. However, the person shall become eligible for reinstatement if the amount due is paid or otherwise satisfied.~~ [Repealed.]

~~(3)~~(4)(A) Hearing. The hearing shall be conducted in a summary manner. The hearing officer shall examine the defendant and any other witnesses and may require the defendant to produce documents relevant to the defendant's ability to pay the amount due. The State or municipality shall not be a party except with the permission of the hearing officer. The defendant may be represented by counsel at the defendant's own expense.

(B) Traffic violations; reduction of amount due. When the judgment is based upon a traffic violation, the hearing officer may reduce the amount due on the basis of the defendant's driving history, ability to pay, or service to the community; the collateral consequences of the violation; or the interests of

justice. The hearing officer's decision on a motion to reduce the amount due shall not be subject to review or appeal except in the case of a violation of rights guaranteed under the Vermont or U.S. Constitution.

~~(4)~~(5) Contempt.

(A) The hearing officer may conclude that the defendant is in contempt if the hearing officer states in written findings a factual basis for concluding that:

(i) the defendant knew or reasonably should have known that he or she owed an amount due on a Judicial Bureau judgment;

(ii) the defendant had the ability to pay all or any portion of the amount due; and

(iii) the defendant failed to pay all or any portion of the amount due.

(B) In the contempt order, the hearing officer may do one or more of the following:

(i) Set a date by which the defendant shall pay the amount due.

(ii) Assess an additional penalty not to exceed ten percent of the amount due.

(iii) ~~Order that the Commissioner of Motor Vehicles suspend the person's operator's license or privilege to operate. However, the person shall become eligible for reinstatement if the amount due is paid or otherwise satisfied.~~ [Repealed.]

(iv) Recommend that the Criminal Division of the Superior Court incarcerate the defendant until the amount due is paid. If incarceration is recommended pursuant to this subdivision ~~(4)~~(c)(5), the Judicial Bureau shall notify the Criminal Division of the Superior Court that contempt proceedings should be commenced against the defendant. The Criminal Division of the Superior Court proceedings shall be de novo. If the defendant cannot afford counsel for the contempt proceedings in the Criminal Division of the Superior Court, the Defender General shall assign counsel at the Defender General's expense.

(d) Collections.

(1) If an amount due remains unpaid after the issuance of a notice of judgment, the Court Administrator may authorize the clerk of the Judicial Bureau to refer the matter to a designated collection agency.

(2) The Court Administrator or the Court Administrator's designee is authorized to contract with one or more collection agencies for the purpose of collecting unpaid Judicial Bureau judgments pursuant to 13 V.S.A. § 7171.

(e) For purposes of civil contempt proceedings, venue shall be statewide. No entry or motion fee shall be charged to a defendant who applies for a reduced judgment under subdivision (c)(4)(B) of this section.

(f) Notwithstanding 32 V.S.A. § 502, the Court Administrator is authorized to contract with a third party to collect fines, penalties, and fees by credit card, debit card, charge card, prepaid card, stored value card, and direct bank account withdrawals or transfers, as authorized by 32 V.S.A. § 583, and to add on and collect, or charge against collections, a processing charge in an amount approved by the Court Administrator.

Sec. 6. 7 V.S.A. § 656 is amended to read:

§ 656. PERSON UNDER 21 YEARS OF AGE MISREPRESENTING AGE, PROCURING, POSSESSING, OR CONSUMING ALCOHOLIC BEVERAGES; ~~FIRST OR SECOND OFFENSE;~~ CIVIL VIOLATION

(a)(1) Prohibited conduct. A person under 21 years of age shall not:

(A) ~~falsely~~ Falsely represent his or her age for the purpose of procuring or attempting to procure malt or vinous beverages, spirits, or fortified wines from any licensee, State liquor agency, or other person or persons~~;~~.

(B) ~~possess~~ Possess malt or vinous beverages, spirits, or fortified wines for the purpose of consumption by himself or herself or other minors, except in the regular performance of duties as an employee of a licensee licensed to sell alcoholic liquor~~; or~~.

(C) ~~consume~~ Consume malt or vinous beverages, spirits, or fortified wines. A violation of this subdivision may be prosecuted in a jurisdiction where the minor has consumed malt or vinous beverages, spirits, or fortified wines or in a jurisdiction where the indicators of consumption are observed.

(2) Offense. ~~Except as otherwise provided in section 657 of this title, a~~ A person under 21 years of age who knowingly ~~and unlawfully~~ violates subdivision (1) of this subsection commits a civil violation and shall be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Abuse Safety Program. A person who fails to complete the program successfully shall be subject to:

(A) a civil penalty of $300.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 90 days, for a first offense; and

(B) a civil penalty of not more than ~~$600.00~~ $1,200.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 180 days, for a second or subsequent offense.

* * *

(e) Notice to Report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse screening and, if deemed appropriate following the screening, substance abuse ~~education~~ assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse ~~education~~ assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse ~~education~~ assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

* * *

(g) ~~Failure to Pay Penalty. If a person fails to pay a penalty imposed under this section by the time ordered, the Judicial Bureau shall notify the Commissioner of Motor Vehicles, who shall suspend the person's operator's license and privilege to operate a motor vehicle until payment is made.~~ [Repealed.]

* * *

Sec. 7. 7 V.S.A. § 657 is amended to read:

§ 657. ~~PERSON UNDER 21 YEARS OF AGE MISREPRESENTING AGE, PROCURING, POSSESSING, OR CONSUMING ALCOHOLIC BEVERAGES; THIRD OR SUBSEQUENT OFFENSE~~

~~A person under 21 years of age who engages in conduct in violation of subdivision 656(a)(1) of this title commits a crime if the person has been~~

~~adjudicated at least twice previously in violation of subdivision 656(a)(1) of this title and shall be imprisoned not more than 30 days or fined not more than $600.00, or both.~~ [Repealed.]

Sec. 8. 13 V.S.A. § 5201(5) is amended to read:

(5) "Serious crime" does not include the following misdemeanor offenses unless the judge at arraignment but before the entry of a plea determines and states on the record that a sentence of imprisonment or a fine over $1,000.00 may be imposed on conviction:

(A) ~~Minors misrepresenting age, procuring or possessing malt or vinous beverages or spirituous liquor (7 V.S.A. § 657(a))~~ [Repealed.]

* * *

Sec. 9. 28 V.S.A. § 205(c) is amended to read:

(c)(1) Unless the Court in its discretion finds that the interests of justice require additional standard and special conditions of probation, when the Court orders a specific term of probation for a qualifying offense, the offender shall be placed on administrative probation, which means that the only conditions of probation shall be that the probationer:

* * *

(2) As used in this subsection, "qualifying offense" means:

* * *

(M) ~~A first offense of a minor's misrepresenting age, procuring, possessing, or consuming liquors under 7 V.S.A. § 657.~~ [Repealed.]

* * *

Sec. 10. 7 V.S.A. § 1005 is amended to read:

§ 1005. PERSONS UNDER 18 YEARS OF AGE; POSSESSION OF TOBACCO PRODUCTS; MISREPRESENTING AGE OR PURCHASING TOBACCO PRODUCTS; PENALTY

(a) A person under 18 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia unless the person is an employee of a holder of a tobacco license and is in possession of tobacco products, tobacco substitutes, or tobacco paraphernalia to effect a sale in the course of employment. A person under 18 years of age shall not misrepresent his or her age to purchase or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia. A person who possesses tobacco products, tobacco substitutes, or tobacco paraphernalia in violation of this subsection shall be subject to having the tobacco products,

tobacco substitutes, or tobacco paraphernalia immediately confiscated and shall be further subject to a civil penalty of $25.00. ~~In the case of failure to pay a penalty, the Judicial Bureau shall mail a notice to the person at the address in the complaint notifying the person that failure to pay the penalty within 60 days of the notice will result in either the suspension of the person's operator's license for a period of not more than 90 days or the delay of the initial licensing of the person for a period of not more than one year. A copy of the notice shall be sent to the Commissioner of Motor Vehicles, who, after expiration of 60 days from the date of notice and unless notified by the Judicial Bureau that the penalty has been paid shall either suspend the person's operator's license or cause initial licensing of the person to be delayed for the periods set forth in this subsection and the rules.~~ An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24. ~~The Commissioner of Motor Vehicles shall adopt rules in accordance with the provisions of 3 V.S.A. chapter 25 to implement the provisions of this subsection, which may provide for incremental suspension or delays not exceeding cumulatively the maximum periods established by this subsection.~~

(b) A person under 18 years of age who misrepresents his or her age by presenting false identification to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia shall be fined not more than $50.00 or provide up to 10 hours of community service, or both.

Sec. 11. 13 V.S.A. § 1753 is amended to read:

§ 1753. FALSE PUBLIC ALARMS

(a) A person who initiates or willfully circulates or transmits a report or warning of an impending bombing or other offense or catastrophe, knowing that the report or warning is false or baseless and that it is likely to cause evacuation of a building, place of assembly, or facility of public transport, or to cause public inconvenience or alarm, shall, for the first offense, be imprisoned for not more than two years or fined not more than $5,000.00, or both. For the second or subsequent offense, the person shall be imprisoned for not more than five years or fined not more than $10,000.00, or both. In addition, the court may order the person to perform community service. Any community service ordered under this section shall be supervised by the ~~department of corrections~~ Department of Corrections.

(b) ~~In addition, if the person is under 18 years of age, or if the person is enrolled in a public school, an approved or recognized independent school, a home study program, or tutorial program as those terms are defined in section 11 of Title 16:~~

~~(1) if the person has a motor vehicle operator's license issued under chapter 9 of Title 23, the commissioner of motor vehicles shall suspend the license for 180 days for a first offense and two years for a second offense; or~~

~~(2) if the person does not qualify for a license because the person is underage, the commissioner of motor vehicles shall delay the person's eligibility to obtain a drivers license for 180 days for the first offense and two years for the second offense.~~ [Repealed.]

Sec. 12. 18 V.S.A. § 4230a(a)(3) is amended to read:

(a) A person 21 years of age or older who knowingly and unlawfully possesses one ounce or less of marijuana or five grams or less of hashish commits a civil violation and shall be assessed a civil penalty as follows:

* * *

(3) ~~not more than~~ $500.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 30 days for a third or subsequent offense.

Sec. 13. 18 V.S.A. § 4230b is amended to read:

§ 4230b. MARIJUANA POSSESSION BY A PERSON UNDER 21 YEARS OF AGE; ~~FIRST OR SECOND OFFENSE;~~ CIVIL VIOLATION

(a) Offense. ~~Except as otherwise provided in section 4230c of this title, a~~ A person under 21 years of age who knowingly and unlawfully possesses one ounce or less of marijuana or five grams or less of hashish commits a civil violation and shall be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Abuse Safety Program. A person who fails to complete the program successfully shall be subject to:

(1) a civil penalty of $300.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 90 days, for a first offense; and

(2) a civil penalty of not more than ~~$600.00~~ $1,200.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 180 days, for a second or subsequent offense.

* * *

(e) Notice to Report to Diversion. Upon receipt from a law enforcement officer of a summons and complaint completed under this section, the Diversion Program shall send the person a notice to report to the Diversion Program. The notice to report shall provide that:

(1) The person is required to complete all conditions related to the offense imposed by the Diversion Program, including substance abuse

screening and, if deemed appropriate following the screening, substance abuse ~~education~~ assessment or substance abuse counseling, or both.

(2) If the person does not satisfactorily complete the substance abuse screening, any required substance abuse ~~education~~ assessment or substance abuse counseling, or any other condition related to the offense imposed by the Diversion Program, the case will be referred to the Judicial Bureau, where the person, if found liable for the violation, shall be assessed a civil penalty, the person's driver's license will be suspended, and the person's automobile insurance rates may increase substantially.

(3) If the person satisfactorily completes the substance abuse screening, any required substance abuse ~~education~~ assessment or substance abuse counseling, and any other condition related to the offense imposed by the Diversion Program, no penalty shall be imposed and the person's operator's license shall not be suspended.

* * *

(g) ~~Failure to Pay Penalty. If a person fails to pay a penalty imposed under this section by the time ordered, the Judicial Bureau shall notify the Commissioner of Motor Vehicles, who shall suspend the person's operator's license and privilege to operate a motor vehicle until payment is made.~~ [Repealed.]

* * *

Sec. 14. 18 V.S.A. § 4230c is amended to read:

§ 4230c. ~~MARIJUANA POSSESSION BY A PERSON UNDER 21 YEARS OF AGE; THIRD OR SUBSEQUENT OFFENSE; CRIME~~

~~No person shall knowingly and unlawfully possess marijuana. A person under 21 years of age who knowingly and unlawfully possesses one ounce or less of marijuana or five grams or less of hashish commits a crime if the person has been adjudicated at least twice previously in violation of section 4230b of this title and shall be imprisoned not more than 30 days or fined not more than $600.00, or both.~~ [Repealed.]

Sec. 15. 20 V.S.A. § 2358 (b)(2)(B)(i)(XX) is amended to read:

(XX) 18 V.S.A. §§ 4230(a)~~, 4230c,~~ and 4230d (marijuana possession);

Sec. 16. 32 V.S.A. § 8909 is amended to read:

§ 8909. ENFORCEMENT

If the tax due under subsection ~~8903(a), (b) and (d)~~ 8903(d) of this title is not paid as hereinbefore provided the Commissioner shall suspend ~~such~~

~~purchaser's or~~ the rental company's ~~right to operate a motor vehicle~~ license to act as a rental company and motor vehicle registrations within the State of Vermont until such tax is paid, and such tax may be recovered with costs in an action brought in the name of the State on this statute.

* * * Driving with License Suspended* * *

Sec. 17. 23 V.S.A. § 674 is amended to read:

§ 674. OPERATING AFTER SUSPENSION OR REVOCATION OF LICENSE; PENALTY; REMOVAL OF REGISTRATION PLATES; TOWING

(a)(1) Except as provided in section 676 of this title, a person whose license or privilege to operate a motor vehicle has been suspended or revoked for a violation of this section or subsection 1091(b), 1094(b), or 1128(b) or (c) of this title and who operates or attempts to operate a motor vehicle upon a public highway before the suspension period imposed for the violation has expired shall be imprisoned not more than two years or fined not more than $5,000.00, or both.

(2) A person who violates section 676 of this title for the ~~sixth~~ third or subsequent time shall, if the ~~five~~ two prior offenses occurred within two years of the third offense and on or after ~~July 1, 2003~~ December 1, 2016, be imprisoned not more than two years or fined not more than $5,000.00, or both.

(3) Violations of section 676 of this title that occurred prior to the date a person successfully completes the DLS Diversion Program ~~or prior to the date that a person pays the amount due to the Judicial Bureau in accordance with subsection 2307(b) of this chapter~~ shall not be counted as prior offenses under subdivision (2) of this subsection.

* * *

* * * Operating Without Obtaining a License * * *

Sec. 18. 23 V.S.A. § 601 is amended to read:

§ 601. LICENSE REQUIRED

* * *

(g) A person who violates this section commits a traffic violation, except that a person who violates this section after a previous conviction under this section within the prior two years shall be subject to imprisonment for not more than 60 days or a fine of not more than $5,000.00, or both. An unsworn printout of the person's Vermont motor vehicle conviction history may be admitted into evidence to prove a prior conviction under this section.

* * * Assessment of Points Against a Person's Driving Record * * *

Sec. 19. 23 V.S.A. § 4(44) is amended to read:

(44) "Moving violation" ~~shall mean~~ means any violation of any provision of this title, while the motor vehicle is being operated on a public highway, over which operation the operator has discretion as to commission of the act, ~~with exception of~~ except for offenses pertaining to:

(A) a parked vehicle, equipment, size, weight, inspection, or registration of the vehicle ~~and child restraint or safety belt systems or~~;

(B) motorcycle headgear under section 1256 of this title; or

(C) seat belts as required in section 1258 or 1259 of this title.

Sec. 20. 23 V.S.A. § 2502 is amended to read:

§ 2502. POINT ASSESSMENT; SCHEDULE

(a) Unless the assessment of points is waived by a Superior judge or a Judicial Bureau hearing officer in the interests of justice and in accordance with subsection 2501(b) of this title, a 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:

* * *

(CCC)	~~§ 1256~~.	~~Motorcycle headgear~~ [Repealed.];
(DDD)	§ 1257.	~~Face~~ Eye Protection;

* * *

Sec. 21. 23 V.S.A. § 1257 is amended to read:

§ 1257. ~~FACE~~ EYE PROTECTION

If a motorcycle is not equipped with a windshield or screen, the operator of the motorcycle shall wear either eye glasses, goggles, or a protective face shield when operating the vehicle. The glasses, goggles, or face shield shall have colorless lenses when the motorcycle is being operated during the period of 30 minutes after sunset to 30 minutes before sunrise and at any other time when due to insufficient light or unfavorable atmospheric conditions, persons and vehicles on the highway are not clearly discernible at a distance of 500 feet ahead.

* * * Judicial Bureau Hearings; Consideration of Ability to Pay * * *

Sec. 22. 4 V.S.A. § 1106 is amended to read:

§ 1106. HEARING

(a) The Bureau shall notify the person charged and the issuing officer of the time and place for the hearing.

(b) The hearing shall be held before a hearing officer and conducted in an impartial manner. The hearing officer may, by subpoena, compel the attendance and testimony of witnesses and the production of books and records. All witnesses shall be sworn. The burden of proof shall be on the State or municipality to prove the allegations by clear and convincing evidence. As used in this section, "clear and convincing evidence" means evidence which establishes that the truth of the facts asserted is highly probable. Certified copies of records supplied by the Department of Motor Vehicles or the Agency of Natural Resources and presented by the issuing officer or other person shall be admissible without testimony by a representative of the Department of Motor Vehicles or the Agency of Natural Resources.

(c) The hearing officer shall make findings which shall be stated on the record or, if more time is needed, made in writing at a later date. The hearing officer may make a finding that the person has committed a lesser included violation. If the hearing officer finds that the defendant committed a violation, the hearing officer shall consider evidence of ability to pay, if offered by the defendant, prior to imposing a penalty.

(d) A law enforcement officer may void or amend a complaint issued by that officer by so marking the complaint and returning it to the Bureau, regardless of whether the amended complaint is a lesser included violation. At the hearing, a law enforcement officer may void or amend a complaint issued by that officer in the discretion of that officer.

(e) A State's Attorney may dismiss or amend a complaint.

(f) The Supreme Court shall establish rules for the conduct of hearings under this chapter.

* * * Awareness of Payment and Hearing Options * * *

Sec. 23. RAISING AWARENESS OF TRAFFIC VIOLATION JUDGMENT PAYMENT AND HEARING OPTIONS

(a) In conducting basic training courses and annual in-service trainings, the Criminal Justice Training Council is encouraged to train enforcement officers about the existence of payment plan options for traffic violation judgments.

Enforcement officers are encouraged to mention these options to a motorist at the time of issuing a complaint for a traffic violation.

(b) The General Assembly recommends that the Judicial Bureau update the standard materials that enforcement officers provide to persons issued a civil complaint for a traffic violation to notify such persons of payment plan options and of the person's right to request a hearing on ability to pay.

(c) The General Assembly encourages the Judicial Bureau to prominently display on its website information about the existence of payment plan options for traffic violation judgments and the right of a person issued a complaint for a traffic violation to request a hearing on ability to pay.

(d) The Agency of Transportation shall carry out a campaign to raise public awareness of traffic violation judgment payment plan options and of a person's right to request a hearing before a Judicial Bureau hearing officer on his or her ability to pay a Judicial Bureau judgment.

* * * Immunity for Forcible Entry of Motor Vehicle for Rescue Purposes * * *

Sec. 24. 12 V.S.A. § 5784 is added to read:

§ 5784. FORCIBLE ENTRY OF MOTOR VEHICLE TO REMOVE UNATTENDED CHILD OR ANIMAL

A person who forcibly enters a motor vehicle for the purpose of removing a child or animal from the motor vehicle shall not be subject to civil liability for damages arising from the forcible entry if the person:

(1) determines the motor vehicle is locked or there is otherwise no reasonable method for the child or animal to exit the vehicle;

(2) reasonably and in good faith believes that forcible entry into the motor vehicle is necessary because the child or animal is in imminent danger of harm;

(3) notifies local law enforcement, fire department, or a 911 operator as soon as practicable under the circumstances;

(4) remains with the child or animal in a safe location reasonably close to the motor vehicle until a law enforcement, fire, or other emergency responder arrives;

(5) places a notice on the vehicle that the authorities have been notified and specifying the location of the child or animal; and

(6) uses no more force to enter the vehicle and remove the child or animal than necessary under the circumstances.

* * * Law Enforcement Training and Data Collection * * *

Sec. 25. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

* * *

(e)(1) The criteria for all minimum training standards under this section shall include anti-bias training approved by the Vermont Criminal Justice Training Council and training on the State, county, or municipal law enforcement agency's fair and impartial policing policy, adopted pursuant to subsection 2366(a) of this title.

(2) On or before December 31, 2018, law enforcement officers shall receive a minimum of four hours of training as required by this subsection.

(3) In order to remain certified, law enforcement officers shall receive a refresher course on the training required by this subsection during every odd-numbered year in a program approved by the Vermont Criminal Justice Training Council.

Sec. 26. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; FAIR AND IMPARTIAL POLICING POLICY; RACE DATA COLLECTION

(a)~~(1) Except as provided in subdivision (2) of this subsection, on or before September 1, 2014, 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. The policy shall contain substantially the same elements of either the current Vermont State Police 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~~ create 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 model policy.

(b) 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~~ July 1, 2016, 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~~ Criminal Justice Training Council.

(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~~ whether current officers have received training on fair and impartial policing as required by 20 V.S.A. § 2358(e).

(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 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 and a vendor chosen by the 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.

(3) On or before September 1, 2016 and annually thereafter, law enforcement agencies shall provide the data collected under this subsection to the vendor chosen by the Criminal Justice Training Council under subdivision (2) of this subsection or, in the event the vendor is unable to continue receiving data under this section, to the Council. Law enforcement agencies shall provide the data collected under this subsection in an electronic format specified by the receiving entity.

(4) The data provided pursuant to subdivision (3) of this subsection shall be posted electronically in a manner that is analyzable and accessible to the public on the receiving agency's website.

Sec. 27. TRAINING FOR LAW ENFORCEMENT; IMPAIRED DRIVING

(a) It is imperative that Vermont provide adequate training to both local and State law enforcement officers regarding the detection of impaired driving. Advanced Roadside Impaired Driving Enforcement (ARIDE) training provides instruction to officers at a level above Basic Standardized Sobriety Testing and proves helpful to an officer in determining when a Drug Recognition Expert (DRE) should be called. Vermont should endeavor to train as many law enforcement officers as possible in ARIDE. DREs receive a more advanced training in the detection of drugged driving and should be an available statewide resource for officers in the field.

(b) The Secretary of Transportation and the Commissioner of Public Safety shall work collaboratively to:

(1) ensure that funding is available, either through the Governor's Highway Safety Program's administration of National Highway Traffic Safety Administration funds or other State funding sources, for training the number of officers necessary to provide sufficient statewide coverage for enforcement efforts to address impaired driving; and

(2) collect data regarding the number and geographic distribution of law enforcement officers who receive ARIDE and DRE training.

* * * Motor Vehicle Insurance and Credit History * * *

Sec. 28. 8 V.S.A. § 4203(7) is added to read:

(7) An insurer engaged in writing private passenger motor vehicle insurance in Vermont shall not consider an applicant's or an insured's credit information, including a numerical credit-based insurance score or other credit rating, in connection with underwriting such insurance. This subdivision shall not be construed to limit an insurer from obtaining or using its own payment history information or information contained in an insurance claims history report, a motor vehicle driver history report, or any other report from a motor vehicle registry when underwriting motor vehicle insurance.

* * * Effective Dates * * *

Sec. 29. EFFECTIVE DATES

(a) This section, Sec. 1 (termination of suspensions arising from pre-1990 failures to appear on criminal traffic offense charges), Sec. 2(e) (public awareness campaign), Sec. 3 (termination of suspensions repealed in act), and Secs. 4–16 (amendment or repeal of license suspension and registration refusal provisions and underage alcohol and marijuana crimes) shall take effect on passage.

(b) Secs. 25-26 (related to law enforcement training and data collection) shall take effect on passage, except that in Sec. 25, 20 V.S.A. § 2358(e)(3) shall take effect on January 1, 2019.

(c) All other sections shall take effect on July 1, 2016.

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

An act relating to driver's license suspensions and judicial, criminal justice, and insurance topics.

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 bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Judiciary.

Senator Sears, 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.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as proposed by the Committee on Judiciary?, Senator Cummings moved to amend the proposal of amendment of the Committee on Judiciary, as follows:

First: By striking out Sec. 28 and the reader assistance thereto in their entirety and inserting in lieu thereof the following:

* * * Study; Credit-Based Motor Vehicle Insurance Scoring * * *

Sec. 28. STUDY OF CREDIT REPORTS AND MOTOR VEHICLE INSURANCE RATES

The Commissioner of Financial Regulation shall conduct a study of credit-based insurance scoring for motor vehicle insurance. The study shall make

findings regarding the prevalence of use of credit-based insurance scoring and related rating factors in Vermont's market for motor vehicle insurance, its impact on Vermont motor vehicle insurance consumers, and how limitations on the use of such scoring would affect insurance companies doing business in Vermont and the affordability and availability of motor vehicle insurance. The Commissioner shall report his or her findings and recommendations to the General Assembly on or before December 15, 2016.

Second: In Sec. 29 (effective dates), by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) This section, Sec. 1 (termination of suspensions arising from pre-1990 failures to appear on criminal traffic offense charges), Sec. 2(e) (public awareness campaign), Sec. 3 (termination of suspensions repealed in act), Secs. 4–16 (amendment or repeal of license suspension and registration refusal provisions and underage alcohol and marijuana crimes), and Sec. 28 (study of credit reports and motor vehicle insurance rates) shall take effect on passage.

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as proposed by the Committee on Judiciary, as amended?, Senator Lyons moved to amend the proposal of amendment of the Committee on Judiciary, as amended, by striking out Secs. 19 through 21 in their entirety.

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

There being a tie, the Secretary took the casting vote of the President, who voted "Nay".

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, Balint, Baruth, Campbell, Campion, Degree, Flory, Kitchel, Lyons, MacDonald, Mazza, Riehle, Sirotkin.

Those Senators who voted in the negative were: Benning, Bray, Collamore, Cummings, Doyle, Mullin, Nitka, Pollina, Rodgers, Sears, Starr, Westman, White, Zuckerman.

Those Senators absent and not voting were: McAllister (suspended), McCormack.

Thereupon, the proposal of amendment proposed by the Committee on Judiciary, as amended, was agreed to and third reading of the bill was ordered.

Recess

On motion of Senator Campbell the Senate recessed until the fall of the gavel.

Called to Order

The Senate was called to order by the President *pro tempore*.

Adjournment

On motion of Senator Baruth, the Senate adjourned until one o'clock and forty-five minutes in the afternoon.

Afternoon

The Senate was called to order by the President *pro tempore*.

Bill Referred to Committee on Finance

H. 562.

House bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to professions and occupations regulated by the Office of Professional Regulation and to the review of professional regulation.

Bill Passed in Concurrence

H. 65.

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

An act relating to designating the Gilfeather turnip as the State Vegetable.

Third Reading Ordered

H. 863.

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

An act relating to making miscellaneous amendments to Vermont's retirement laws.

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.

Proposal of Amendment; Third Reading Ordered

H. 518.

Senator Riehle, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to the membership of the Clean Water Fund Board.

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. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER FUND BOARD

(a) Creation. There is created a Clean Water Fund Board which shall recommend to the Secretary of Administration expenditures from the Clean Water Fund. The Clean Water Fund Board shall be attached to the Agency of Administration for administrative purposes.

(b) Organization of the Board. The Clean Water Fund Board shall be composed of:

(1) ~~the~~ The Secretary of Administration or designee~~;~~.

(2) ~~the~~ The Secretary of Natural Resources or designee~~;~~.

(3) ~~the~~ The Secretary of Agriculture, Food and Markets or designee~~;~~.

(4) ~~the~~ The Secretary of Commerce and Community Development or designee~~; and~~.

(5) ~~the~~ The Secretary of Transportation or designee.

(6) Two members of the public or of the House of Representatives appointed by the Speaker of the House, each of whom shall be from a separate major watershed of the State. One of the members appointed under this subdivision shall be a municipal official.

(7) Two members of the public or of the Senate appointed by the Committee on Committees, each of whom shall be from a separate major watershed of the State. One of the members appointed under this subdivision shall be a municipal official.

(c) Terms; public members. Members of the Clean Water Fund Board shall be appointed for terms of three years, except initially, appointments shall be made such that one member appointed by the Speaker shall be appointed for a term of two years, and one member appointed by the Committee on Committees shall be appointed for a term of one year. Vacancies on the Board

shall be filled for the remaining period of the term in the same manner as initial appointments.

(d) Officers; committees; rules; reimbursement.

(1) The Clean Water Fund Board shall annually elect a chair from its members. The Clean Water Fund Board may elect additional officers from its members, establish committees or subcommittees, and adopt procedural rules as necessary and appropriate to perform its work.

(2) Members of the Board who are not employees of the State of Vermont, who are not legislators, and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 paid from the budget of the Agency of Administration for attendance of meetings of the Board. Legislative members of the Board shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

* * *

Sec. 2. EFFECTIVE DATE

This act 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 proposed by the Committee on Natural Resources and Energy.

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. 620.

Senator Ayer, for the Committee on Finance, to which was referred House bill entitled:

An act relating to health insurance and Medicaid coverage for contraceptives.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: By adding a new section to be numbered Sec. 4 to read as follows:

Sec. 4. 33 V.S.A. § 1811(l) is added to read:

(l) To the extent permitted under federal law, a registered carrier shall allow for the enrollment of a pregnant individual, and of any individual who is eligible for coverage under the terms of the health benefit plan because of a relationship to the pregnant individual, at any time after the commencement of the pregnancy. Coverage shall be effective as of the first of the month following the individual's selection of a health benefit plan.

And by renumbering the existing Sec. 4, effective dates, to be Sec. 5

Second: In the newly renumbered Sec. 5, effective dates, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Secs. 3 (appropriation), 4 (Exchange special enrollment period for pregnancy), and this section shall take effect on July 1, 2016.

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

Senator Kitchel, 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 Finance with the following amendment thereto:

In the *first* instance of amendment of the Committee of Finance in Sec. 4, 33 V.S.A. § 1811(l), at the beginning of the first sentence, by striking out the following: "To the extent permitted under federal law, a" and inserting in lieu thereof the following: A

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 Finance was amended as proposed by the Committee on Appropriations.

Thereupon, the proposals of amendment proposed by the Committee on Finance, as amended, were agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 859.

Senator Cummings, for the Committee on Education, to which was referred House bill entitled:

An act relating to special education.

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:

* * * Payment of Special Education Funding to Supervisory Unions * * *

Sec. 1. 16 V.S.A. chapter 101 is amended to read:

CHAPTER 101. SPECIAL EDUCATION

Subchapter 1. General Provisions

* * *

§ 2948. STATE AID

(a) For the payment of general State aid, children with disabilities shall be counted in the same manner as children who do not have disabilities.

(b) [Repealed.]

(c) Each ~~school district~~ supervisory union shall receive an essential early education grant each school year. Grants shall be distributed according to the estimated number of children from three through five years of age. The State Board by rule shall encourage coordination of services and may set other terms of the grant. Each ~~district~~ supervisory union shall be responsible for the remainder of the costs of providing necessary services under section 2956 of this title. Annually, for each following fiscal year, the essential early education grant shall be increased by the most recent cumulative price index, as of November 15, for State and local government purchases of goods and services from fiscal year 2002 through that following fiscal year, as provided through the State's participation in the New England Economic Project.

(d), (e) [Repealed.]

(f) If a student is being provided education or special education or both in a school operated by the Department of Corrections, the Department of Corrections shall serve the student as if the Department were the school district of residence of the student.

(g) Notwithstanding any law to the contrary, a child with a disability who is residing in a State school, hospital, or community residential facility or in a State-approved private residential facility shall be provided special education in accordance with this chapter by the ~~school district~~ supervisory union in which the facility is located; provided, however, that this special education may be directly provided by the facility in which the child resides when the child's individualized education program and treatment plans indicate that the facility is the most appropriate educational placement for the child. Programs of special education provided by a facility described in this subsection shall be subject to the approval of the Secretary.

(h)-(j) [Repealed.]

(k) For the costs of students in the custody of the Department of Corrections, the Secretary of Education shall pay for the costs of special education in accordance with the provisions of 28 V.S.A. § 120.

(l) [Repealed.]

(m) All other State aid to ~~school districts and~~ supervisory unions shall be set forth in subchapter 2 of this chapter.

(n) If a student is being provided education or special education, or both in a school operated by the Department for Children and Families, the funding and provision of services shall be the responsibility of the Department for Children and Families and special education procedural responsibility shall be the responsibility of the supervisory union for the school district of residence of the student's parent, parents, or guardian.

§ 2949. RECIPROCAL AGREEMENTS WITH OTHER STATES

* * *

§ 2950. STATE-PLACED STUDENTS

(a) ~~School district~~ Supervisory Union reimbursement. The supervisory union in which there is a school district responsible for educating a State-placed student under section 1075 of this title may claim and the Secretary shall reimburse 100 percent of all special education costs for the student, including costs for mainstream services. As a condition of receiving this reimbursement, the ~~district~~ supervisory union shall provide documentation in support of its claim, sufficient to enable the Secretary to determine whether to recommend appropriate cost-saving alternatives. The Secretary may approve any costs incurred in educating a State-placed student who is not eligible for special education that are incurred due to the special needs of the student, and, if approved, the Secretary shall pay those costs. When a State agency places and registers a student in a new district, the district and the supervisory union of which it is a member may request and the Agency of Education~~,~~ or the agency that placed the student, or both, shall provide prompt consultative and technical assistance to the receiving district and the supervisory union.

* * *

§ 2957. SPECIAL EDUCATION ADMINISTRATIVE AND JUDICIAL APPEALS; LIMITATIONS

* * *

(e) Except as provided in 20 U.S.C. § 1412(a)(10)(C) or unless a court or hearing officer determines otherwise, where a unilateral placement has been made without offering the supervisory union for the school district of residence ~~being offered~~ a reasonable opportunity to evaluate the child and to develop an individualized education program, reimbursement may not be sought for any costs incurred before the ~~school district~~ supervisory union is offered such an opportunity.

§ 2958. RESIDENTIAL PLACEMENT REVIEW TEAM; RESIDENTIAL PLACEMENTS

(a) A school district shall notify the parents and the Secretary when it believes residential placement is a possible option for inclusion in a child's individualized education program.

(b) The Secretary may establish from within the Agency a Residential Placement Review Team. At the discretion of the Secretary, other persons not employed by the Agency may be appointed to serve on the Team. The Team shall make every effort to assist ~~school districts~~ supervisory unions and parents in understanding the range of educational options available as early as possible in the planning process for the child. The Team shall:

(1) advise ~~school districts~~ supervisory unions on alternatives to residential placement;

(2) review each individualized education program calling for residential placement of a student to consider whether the student can be educated in a less restrictive environment;

(3) assist ~~school districts~~ supervisory unions in locating cost-effective and appropriate residential facilities where necessary;

(4) request a new individualized education program where it believes that appropriate alternatives to residential placement are available; and

(5) offer mediation as a means of resolving disputes relating to the need for residential placement or the particular residential facility recommended for a child with a disability.

(c) The State Board shall by rule establish policies and procedures for the operations of the Residential Placement Review Team. The rules shall be consistent with federal law and, at minimum, shall include the following:

(1) provision for the Secretary to initiate a due process proceeding to challenge the need for residential placement where the team believes that a less restrictive educational placement is both available and appropriate for the child with a disability, and to reimburse the ~~school district~~ supervisory union and the parents or guardian of the child for reasonable costs and attorney's fees in the event the Secretary does not prevail;

(2) provision for technical assistance, a plan for correction, or withholding of funds under this section where a ~~school district~~ supervisory union places a child in a residential facility more expensive than an available and appropriate alternative residential facility; however, such withholding of funds shall not exceed the difference between the cost of the two facilities and the rule shall provide an opportunity for appeal of the withholding; and

(3) procedures and timelines to ensure that residential placement of a child with disabilities is not delayed or disrupted so as to adversely affect the child.

(d) Whenever a residential placement is determined to be necessary and appropriate for a child with a disability, the Residential Placement Review Team shall include in the child's individualized education program goals and objectives designed to reintegrate the child into a local school district.

(e) Costs for residential placement shall be reimbursed under subchapter 2 of this chapter only if the residential facility is approved by the State Board for the purposes of providing special education and related services to children with disabilities.

§ 2959. RULEMAKING; MEDIATION

(a) The State Board shall adopt rules governing the determination of a child's eligibility for special education, accounting and financial reporting standards, program requirements, procedural requirements, and the identification of the ~~district~~ supervisory union or agency responsible for each child with a disability.

(b) Subject to rules established by the State Board, the Secretary shall offer mediation to parents, children with disabilities, and districts, supervisory unions, and agencies involved in special education disputes.

§ 2959a. EDUCATION MEDICAID RECEIPTS

(a) It is the intent of the General Assembly that the State of Vermont shall maximize its receipt of federal Medicaid dollars available for reimbursement of medically related services provided to students who are Medicaid eligible. It is further the intent that:

(1) each supervisory union identify special education and other students eligible for Medicaid reimbursement and, to the extent possible, submit Medicaid bills for services reimbursement;

(2) the Agencies of Education and of Human Services work with local school districts to maximize reimbursements, including services to non-IEP students.

(b) A Medicaid Reimbursement Special Fund is established within the Agency of Education. Funds received by the State under this section shall be transferred to the Medicaid Reimbursement Special Fund. The Fund receipts shall be allocated in accordance with this section.

(c) At least annually, the Secretary of Education shall pay to each supervisory union submitting Medicaid bills under this section, 50 percent of the reimbursed funds generated by the supervisory union's bill, excluding claims generated by State-placed students. Unless the supervisory union has agreed to use the funds to operate a supervisory unionwide program or to distribute the funds in a different manner, upon receipt, the supervisory union shall distribute the funds to its member school districts based on how the funds were generated. The Secretary may withhold payment due a ~~school district~~ supervisory union pursuant to section 2950 of this title for a Medicaid-eligible State-placed student if the ~~school district~~ supervisory union has not submitted a Medicaid claim for reimbursable services for that student.

(d) If the amount of Medicaid reimbursement funds received for services provided in the prior State fiscal year exceeds $25,000,000.00, in addition to the 50 percent of the funds paid to supervisory unions submitting Medicaid bills, 25 percent of the amounts in excess of the $25,000,000.00 shall be paid into an incentive fund created in the Agency of Education. These funds shall be used for an incentive payment to supervisory unions with student participation rates of over 80 percent in accordance with a formula to be developed by the Agency, in consultation with the Vermont Superintendents Association. For any incentive payments made subsequent to fiscal year 2007, the $25,000,000.00 threshold of this subsection shall be increased by the percentage increase of 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 2005 through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent.

(e) ~~School districts~~ Supervisory unions shall use funds received under this section to pay for reasonable costs of administering the Medicaid claims process, and school districts or supervisory unions shall use funds received under this section for prevention and intervention programs in prekindergarten through grade 12. The programs shall be designed to facilitate early identification of and intervention with children with disabilities and to ensure all students achieve rigorous and challenging standards approved and adopted by the State Board or locally adopted standards. A ~~school district~~ supervisory union shall provide annual written justification to the Secretary of Education ~~of the use of~~ how it or its member districts used the funds. Such annual submission shall show how the funds' use is expressly linked to those

provisions of the ~~school district's~~ supervisory union's action plan that directly relate to improving student performance. A ~~school district~~ supervisory union shall include in its annual report the amount of the prior year's Medicaid reimbursement revenues and the use of Medicaid funds consistent with the purposes set forth in this subsection.

(f) Up to 30 percent of Medicaid reimbursements received under this section shall be available for administrative costs of the Agencies of Education and of Human Services related to the collection, processing, and reporting of education Medicaid reimbursements and statewide programs. The Secretaries of Education and of Human Services shall expend monies from the Fund only as appropriated by the General Assembly.

(g) Remaining reimbursed funds shall be deposited into the Education Fund.

* * *

Subchapter 2. Aid for Special Education and Support Services

§ 2961. STANDARD MAINSTREAM BLOCK GRANTS

(a) Each ~~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~~ supervisory union shall be eligible to receive a standard mainstream block grant each school year. The mainstream block grant shall be equal to the supervisory union's mainstream salary standard multiplied by 60 percent.

(b) The ~~district,~~ supervisory union shall expend all such assistance for special education services or for remedial or compensatory services in accordance with its service plan as required under section 2964 of this title. It shall likewise expend, from local funds, an amount not less than 40 percent of its mainstream salary standard for special education.

(c) As used in this section:

(1) "Mainstream salary standard" means:

(A) the ~~district's~~ supervisory union's full-time equivalent staffing for special education for the preceding year multiplied by the average special education teacher salary in the State for the preceding year; plus

(B) ~~its share, prorated according to average daily membership among the member districts of the supervisory union, of~~ an amount equal to the average special education administrator salary in the State for the preceding year, plus, for any supervisory union ~~or supervisory district~~ with member districts which have in the aggregate more than 1,500 average daily

membership, ~~the school district's prorated share of~~ a fraction of an additional full-time equivalent salary for a special education administrator, the numerator of which is the aggregate average daily membership ~~in~~ of the supervisory ~~union or supervisory district~~ union's member districts minus 1,500, and the denominator of which is the aggregate average daily membership of member districts in the largest supervisory union ~~or supervisory district~~ in the State minus 1,500.

(2) "Full-time equivalent staffing" means 9.75 special education teaching positions per 1,000 average daily membership.

(d) If in any fiscal year, a ~~district that maintains a school~~ supervisory union in which a school is maintained does not expend an amount equal to its mainstream salary standard on special education expenditures, the ~~district~~ supervisory union may expend the balance, including the matching funds, to provide support and remedial services pursuant to section 2902 or 2903 of this title. A ~~district~~ supervisory union choosing to expend funds in this way shall submit a report describing the services provided and their costs with the final financial report submitted under section 2968 of this title.

§ 2962. EXTRAORDINARY SERVICES REIMBURSEMENT

(a) Except as otherwise provided in this subchapter, extraordinary services reimbursement shall be payable, based on where the related cost is incurred, to ~~each~~ a town school district, city school district, union school district, unified union school district, incorporated school district, the member school districts of an interstate school district, and unorganized town or gore or to a supervisory union.

(b) The amount of extraordinary services reimbursement provided to each district or supervisory union shall be equal to 90 percent of its extraordinary special education expenditures.

(c) As used in this subchapter, "extraordinary special education expenditures" means a school district's or supervisory union's allowable expenditures that for any one child exceed $50,000.00 for a fiscal year. In this subsection, child means a student with disabilities who is three years of age or older in the current school year. The State Board shall define allowable expenditures that shall include any expenditures required under federal law, and any costs of mediation conducted by a mediator who is approved by the Secretary.

(d) [Repealed.]

§ 2963. SPECIAL EDUCATION EXPENDITURES REIMBURSEMENT

(a) ~~Each~~ Based on where the related cost is incurred, each town school district, city school district, union school district, unified union school district, incorporated school district, the member school districts of an interstate school district, and unorganized town or gore or supervisory union shall receive a special education expenditures reimbursement grant each school year.

(b) The amount of a school district's or supervisory union's special education expenditures reimbursement shall be equal to the total of its special education expenditures multiplied by the reimbursement rate for that year.

* * *

§ 2963a. EXCEPTIONAL CIRCUMSTANCES

(a) In lieu of reimbursement under section 2963 of this title, the Secretary shall reimburse a school district or supervisory union for 80 percent of the ~~following expenditures:(1) Costs~~ costs not eligible for reimbursement under section 2962 of this title for each student causing the school district or supervisory union to be eligible for extraordinary services reimbursement pursuant to that section. However, in order for a school district or supervisory union to be eligible for reimbursement under this section, the total costs of the school district or supervisory union eligible for extraordinary services reimbursement must equal or exceed 15 percent of the total costs eligible for ~~state~~ State assistance under sections 2961, 2962, and 2963 of this title.

~~(2) The costs incurred by the school district in placing and maintaining a student in a program operated by the Vermont Center for the Deaf and Hard of Hearing.~~

(b) An eligible school district or supervisory union may apply to the Secretary to receive reimbursement under this section. The Secretary shall award reimbursement to a school district or supervisory union under this section if the Secretary makes a determination that school district or supervisory union considered all the cost-effective and appropriate available alternatives for placement and programs for students before incurring these costs. A decision of the Secretary shall be final.

§ 2964. SERVICE PLAN

(a) As a condition of receiving assistance under this subchapter, a supervisory union shall file a service plan with the Secretary annually on or before October 15. The service plan shall contain the anticipated special education expenditures for the following school year for the supervisory union and its member districts. The plan shall be in a form prescribed by the Secretary and shall include information on services planned and anticipated expenditures.

(b) If a supervisory union fails to file a service plan by October 15, the Secretary may withhold any funds due the supervisory ~~district or school districts~~ union and its member districts under this title until a service plan is filed and accepted by the Secretary as properly completed.

§ 2965. WITHHOLDING OF AID

If a ~~district~~ supervisory union, school district, or agency fails to meet its legally established obligations toward a child with a disability or the child's parent, and as a result the Agency of Education incurs costs to meet these obligations beyond those otherwise incurred under this chapter, the Secretary shall withhold the amount of funds incurred from any grants due the ~~district~~ supervisory union, school district, or agency under this subchapter.

§ 2967. AID PROJECTION; STATE SHARE

(a) On or before December 15, the Secretary 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~~ supervisory union and its member districts to the extent they anticipate reimbursable expenditures under this chapter, of the amount of 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.

* * *

§ 2968. REPORTS

(a) On or before November 15, March 15, and August 1 of each school year, each supervisory union ~~and school district~~ and its member districts to the extent they incur reimbursable expenditures under this chapter shall file a financial report with the Secretary in a form prescribed by the Secretary. The report shall describe total expenditures for special education actually incurred during the preceding period, and shall describe revenues derived from different funding sources, including federal assistance, State assistance under this ~~section~~ chapter, and local effort.

(b) If a supervisory union ~~or school district fails~~ or its member districts that have incurred reimbursable expenditures under this chapter fail to file a complete report by August 1, until the properly completed August 1 report is filed and accepted by the Secretary, the Secretary may withhold any funds due the supervisory union or school district under this title and shall subtract $100.00 per business day from funds due to the supervisory union or school district under this title for that fiscal year. The Secretary may waive the $100.00 penalty required under this subsection upon appeal by the supervisory

union or school district. The Secretary shall establish procedures for administration of this subsection.

(c) The Secretary shall review and monitor the reports received pursuant to subsection (a) of this section as well as the service plans received pursuant to section 2964 of this title, and shall assist supervisory unions and school districts to complete and submit these documents in a timely and accurate fashion.

(d) Special education receipts and expenditures shall be included within the audits required of ~~supervisory unions and school districts~~ a supervisory union and its member districts that have incurred reimbursable expenditures under this chapter pursuant to ~~sections~~ section 323 ~~and 563(17)~~ of this title.

§ 2969. PAYMENTS

(a) On or before August 15, December 15, and April 15 of each school year, the State Treasurer shall withdraw from the Education Fund, based on warrant of the Commissioner of Finance and Management, and shall forward to each ~~school district~~ supervisory union and its member districts to the extent they anticipate reimbursable expenditures under this chapter, the amount of State assistance estimated in accordance with State Board rules to be necessary to fund sections 2961 through 2963a of this title in the current fiscal period. The State Board shall by rule ensure that the amount of such assistance shall be adjusted to compensate for any overpayments or underpayments determined, after review and acceptance of the reports submitted under section 2968 of this title, to have been made in previous periods. Notwithstanding this subsection, failure to submit the reports within the timelines established by subsection 2968(a) of this title shall result in the withholding of any payments until the report is filed.

(b) ~~[Deleted.]~~ [Repealed.]

(c) For the purpose of meeting the needs of students with emotional behavioral problems, each fiscal year the Secretary shall use for training, program development, and building school and regional capacity, up to one percent of the State funds appropriated under this subchapter.

(d) For the training of teachers, administrators, and other personnel in the identification and evaluation of, and provision of education services to children who require educational supports, each fiscal year the Secretary shall use up to 0.75 percent of the State funds appropriated under this subchapter. In order to set priorities for the use of these funds, the Secretary shall identify effective practices and areas of critical need. The Secretary may expend up to five percent of these funds for statewide training and shall distribute the remaining funds to school districts or supervisory unions.

(e) School districts and supervisory unions that apply for funds under this section must submit a plan for training that will result in lasting changes in their school systems and give assurances that at least 50 percent of the costs of training, including in-kind costs, will be assumed by the applicant. The Secretary shall establish written procedures and criteria for the award of such funds. In addition, the Secretary may identify schools most in need of training assistance and may pay for 100 percent of the assistance ~~provided~~ to the supervisory union or school district for these schools to fund the provision of training assistance for these schools.

§§ 2970, 2971. [RESERVED FOR FUTURE USE.].

* * *

§ 2974. SPECIAL EDUCATION PROGRAM; FISCAL REVIEW

(a) Annually, the Secretary shall report to the State Board regarding:

(1) special education expenditures by ~~school districts~~ supervisory unions;

(2) the rate of growth or decrease in special education costs, including the identity of ~~high~~ high- and ~~low spending districts~~ low-spending supervisory unions;

(3) results for special education students;

(4) the availability of special education staff;

(5) the consistency of special education program implementation statewide;

(6) the status of the education support systems in ~~school districts~~ supervisory unions; and

(7) a statewide summary of the special education student count, including:

(A) the percentage of the total average daily membership represented by special education students statewide and by ~~school district~~ supervisory union;

(B) the percentage of special education students by disability category; and

(C) the percentage of special education students ~~by in-district placement,~~ served by public schools within the supervisory union, by day placement, and by residential placement.

(b) The Secretary's report shall include the following data for both ~~high~~ high- and ~~low spending districts~~ low-spending supervisory unions:

(1) each ~~district's~~ supervisory union's special education staff-to-child count ratios as compared to the State average, including a breakdown of ratios by staffing categories;

(2) each ~~district's~~ supervisory union's percentage of students in day programs and residential placements as compared to the State average of students in those placements and information about the categories of disabilities for the students in such placements;

(3) whether the ~~district~~ supervisory union was in compliance with section 2901 of this title;

(4) any unusual community characteristics in each ~~district~~ supervisory union relevant to special education placements;

(5) a review of ~~high~~ high- and ~~low-spending districts'~~ low-spending supervisory unions' special education student count patterns over time;

(6) a review of the ~~district's~~ supervisory union's compliance with federal and State requirements to provide a free, appropriate public education to eligible students; and

(7) any other factors affecting its spending.

(c) The Secretary shall review ~~low-spending districts~~ low-spending supervisory unions to determine the reasons for their spending patterns and whether those ~~districts~~ supervisory unions used cost-effective strategies appropriate to replicate in other ~~districts~~ supervisory unions.

(d) For the purposes of this section, a "~~high-spending district~~ high-spending supervisory union" is a ~~school district~~ supervisory union that, in the previous school year, spent at least 20 percent more than the statewide average of special education eligible costs per average daily membership. Also for the purposes of this section, a "~~low-spending district~~ low-spending supervisory union" is a ~~school district~~ supervisory union that, in the previous school year, spent no more than 80 percent of the statewide average of special education eligible costs per average daily membership.

(e) The Secretary and Agency staff shall assist the ~~high-spending districts~~ high-spending supervisory unions, that have been identified in subsection (a) of this section and have not presented an explanation for their spending that is satisfactory to the Secretary, to identify reasonable alternatives and to develop a remediation plan. Development of the remediation plan shall include an on-site review. The ~~district~~ supervisory union shall have two years to make progress on the remediation plan. At the conclusion of the two years or earlier, the ~~district~~ supervisory union shall report its progress on the remediation plan.

(f) Within 30 days of receipt of the ~~district's~~ supervisory union's report of progress, the Secretary shall notify the ~~district~~ supervisory union that its progress is either satisfactory or not satisfactory.

(1) If the ~~district~~ supervisory union fails to make satisfactory progress, the Secretary shall notify the ~~district~~ supervisory union that, in the ensuing school year, the Secretary shall withhold 10 percent of the ~~district's~~ supervisory union's special education expenditures reimbursement pending satisfactory compliance with the plan.

(2) If the district fails to make satisfactory progress after the first year of withholding, 10 percent shall be withheld in each subsequent year pending satisfactory compliance with the plan; provided, however, before funds are withheld in any year under this subdivision (f)(2), the ~~district~~ supervisory union shall explain to the State Board either the reasons the ~~district~~ supervisory union believes it made satisfactory progress on the remediation plan or the reasons it failed to do so. The State Board's decision whether to withhold funds under this subdivision shall be final.

(3) If the ~~district~~ supervisory union makes satisfactory progress under any subdivision of this subsection, the Secretary shall release to the ~~district~~ supervisory union any special education expenditures reimbursement withheld for the prior fiscal year only.

(g) Within 10 days after receiving the Secretary's notice under subdivision (f)(1) of this section, the ~~district~~ supervisory union may challenge the Secretary's decision by filing a written objection to the State Board outlining the reasons the ~~district~~ supervisory union believes it made satisfactory progress on the remediation plan. The Secretary may file a written response within 10 days after the ~~district's~~ supervisory union's objection is filed. The State Board may give the ~~district~~ supervisory union and the Secretary an opportunity to be heard. The State Board's decision shall be final. The State shall withhold no portion of the ~~district's~~ supervisory union's reimbursement before the State Board issues its decision under this subsection.

(h) Nothing in this section shall prevent a ~~school district~~ supervisory union from seeking and receiving the technical assistance of Agency staff to reduce its special education spending.

§ 2975. UNUSUAL SPECIAL EDUCATION COSTS; FINANCIAL ASSISTANCE

The Secretary may use up to two percent of the funds appropriated for special education expenditures, as that term is defined in subsection 2967(b) of this title, to directly assist ~~school districts~~ supervisory unions with special education expenditures of an unusual or unexpected nature. These funds shall

not be used for exceptional circumstances that are funded under section 2963a of this title. The Secretary's decision regarding a ~~district's~~ supervisory union's eligibility for and amount of assistance shall be final.

Sec. 2. 16 V.S.A. § 4002 is amended to read:

§ 4002. PAYMENT; ALLOCATION

(a) State and federal funds appropriated for services delivered by the supervisory union and payable through the Agency shall be paid to the order of the supervisory union and administered in accordance with the plan adopted under subdivision 261a(4) of this title. Funding for special education services under section 2969 of this title shall be paid to the districts and supervisory unions in accordance with that section.

* * *

* * * Study of Funding for Special Education * * *

Sec. 3. STUDY OF FUNDING FOR SPECIAL EDUCATION

(a) Study. The Agency of Education shall contract for a study of special education funding and practice. The study shall evaluate the feasibility of implementing the census block model of funding, or a variation of this model as the contractor deems appropriate, for special education in Vermont, including the advantages, disadvantages, and policy considerations. The study shall develop a special education funding model recommendation for Vermont, which shall be designed to provide incentives for desirable practices and stimulate innovation in the delivery of services and shall take into account any factors the contractor determines relevant. The contractor shall conduct its evaluation and develop its recommendation in collaboration with the Agency of Education and, as directed by the Agency of Education, with interested superintendents, special education administrators, school business and administrative staff, and special education staff from the institutions of higher education and other stakeholders, including parents and family-based organizations. The contractor shall present its findings and recommendations to the General Assembly and the Agency of Education by December 15, 2017.

(b) Funding. The Agency of Education shall allocate out of its fiscal year 2017 budget a sum of up to $90,000.00 to provide funding for the purposes set forth in this section. Any application of funds for the purpose of administrative overhead shall be capped at ten percent of the total sum allocated pursuant to this section.

* * * Effective Dates * * *

Sec. 4. EFFECTIVE DATES

Sec. 3 and this section shall take effect on July 1, 2016. Secs. 1 and 2 shall take effect on July 1, 2017.

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 Senate propose to the House that the bill be amended as recommended by the Committee on Education with the following amendment thereto:

In Sec. 3(a), by striking the second sentence and inserting in lieu thereof the following:

The study shall evaluate the feasibility of implementing various models of funding for special education in Vermont, including the census block model of funding and variations of this model, as the contractor deems appropriate, including the advantages, disadvantages, and policy considerations.

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 pending the question, Shall the recommendation of proposal of amendment of the Committee on Education be amended as proposed by the Committee on Appropriations?, Senator Ashe moved to amend the proposal of amendment of the Committee on Appropriations by striking out the following: "Vermont, including the census block" and inserting in lieu thereof the following: Vermont, including a census block

Which was agreed to.

Thereupon, the question, Shall the recommendation of proposal of amendment of the Committee on Education be amended as proposed by the Committee on Appropriations, as amended?, was agreed to.

Thereupon, the proposal of amendment proposed by the Committee on Education, as amended, was agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 868.

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

An act relating to miscellaneous economic development provisions.

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:

* * * Vermont Economic Development Authority * * *

Sec. A.1. 10 V.S.A. § 213 is amended to read:

§ 213. AUTHORITY; ORGANIZATION

(a) The Vermont Economic Development Authority is hereby created and established as a body corporate and politic and a public instrumentality of the State. The exercise by the Authority of the powers conferred upon it in this chapter constitutes the performance of essential governmental functions.

(b)(1) The Authority shall have ~~15~~ up to 16 voting members consisting of:

(A) the Secretary of Commerce and Community Development, the State Treasurer, the Secretary of Agriculture, Food and Markets, the Commissioner of Forests, Parks and Recreation, and the Commissioner of Public Service, each of whom shall serve as an ex officio member, or a designee of any of the aforementioned; ~~and~~

(B) up to 10 members, who shall be residents of the State of Vermont, appointed by the Governor with the advice and consent of the Senate~~. The appointed members shall be appointed~~ for terms of six years and until their successors are appointed and qualified~~. Appointed members may be removed by the Governor for cause and the Governor may fill any vacancy occurring among the appointed members for the balance of the unexpired term.~~; and

(C) one member, who is a current member of the Vermont General Assembly, appointed jointly by the Speaker of the House of Representatives and the President Pro Tempore of the Senate, who shall serve a term of six years or until he or she is no longer a member of the General Assembly, whichever occurs sooner.

(2)(A) An appointing authority may remove a member for cause.

(B) The Governor may fill a vacancy for the balance of the unexpired term.

(C) The Speaker and President Pro Tempore may jointly fill a vacancy by appointing a member of the General Assembly to a new six-year term.

* * *

Sec. A.2. 10 V.S.A. § 216 is amended to read:

§ 216. AUTHORITY; GENERAL POWERS

The Authority is hereby authorized:

* * *

(15) To delegate to loan officers the power to review, approve, and make loans under this chapter, subject to the approval of the manager, and to disburse funds on such loans, subject to the approval of the manager~~, provided that such loans do not exceed $350,000.00 in aggregate amount for any industrial loan for any three-year period for any particular individual, partnership, corporation, or other entity or related entity, or do not exceed $350,000.00 in aggregate amount if the loan is guaranteed by the Farm Services Agency, or its successor agency, or $300,000.00 in aggregate amount if the loan is not guaranteed by the Farm Services Agency, or its successor agency, for any agricultural loan for any three-year period for any particular individual, partnership, corporation, or other entity or related entity. No funds may be disbursed for any loan approved under this provision, except for any agricultural loan referenced above in an amount not to exceed $50,000.00, and no rejection of a loan by a loan officer pursuant to this subdivision shall become final, until three working days after the members of the Authority are notified by facsimile, electronic mail, or overnight delivery mailed or sent on the day of approval or rejection, of the intention to approve or reject such loan. If any member objects within that three-day period, the approval or rejection will be held for reconsideration by the members of the Authority at its next duly scheduled meeting~~.

* * *

Sec. A.3. 10 V.S.A. § 219 is amended to read:

§ 219. RESERVE FUNDS

* * *

(d) In order to ensure the maintenance of the debt service reserve requirement in each debt service reserve fund established by the Authority, there may be appropriated annually and paid to the Authority for deposit in each such fund, such sum as shall be certified by the Chair of the Authority, to the Governor, the President of the Senate, and the Speaker of the House, as is necessary to restore each such debt service reserve fund to an amount equal to the debt service reserve requirement for such fund. The Chair shall annually, on or about February 1, make, execute, and deliver to the Governor, the President of the Senate, and the Speaker of the House, a certificate stating the sum required to restore each such debt service reserve fund to the amount

aforesaid, and the sum so certified may be appropriated, and if appropriated, shall be paid to the Authority during the then current State fiscal year. The principal amount of bonds or notes outstanding at any one time and secured in whole or in part by a debt service reserve fund to which State funds may be appropriated pursuant to this subsection shall not exceed ~~$130,000,000.00~~ $155,000,000.00, provided that the foregoing shall not impair the obligation of any contract or contracts entered into by the Authority in contravention of the Constitution of the United States.

Sec. A.4. 10 V.S.A. § 220 is added to read:

§ 220. TRANSFER FROM INDEMNIFICATION FUND

The State Treasurer shall transfer from the Indemnification Fund created in former section 222a of this title to the Authority all current and future amounts deposited to that Fund.

Sec. A.5. 10 V.S.A. § 234 is amended to read:

§ 234. THE VERMONT JOBS FUND

* * *

(c) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority ~~to establish a line of credit in an amount not to exceed $60,000,000.00 to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title~~.

* * *

Sec. A.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

(a) There is created the Vermont Agricultural Credit Program, which will provide an alternative source of sound and constructive credit to farmers and forest products businesses who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:

* * *

(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.~~ [Repealed.]

§ 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 or forest products which have been primarily produced in this 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.

(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, 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.

(9) "Forest products business" means a Vermont enterprise that is primarily engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing products derived from Vermont forests.

(10) "Livestock" shall mean cattle, sheep, goats, equines, fallow deer, red deer, reindeer, American bison, swine, poultry, pheasant, chukar partridge, coturnix quail, ferrets, camelids and ratites, cultured trout propagated by commercial trout farms, and bees.

~~(10)~~(11) "Loan" means an operating loan or farm ownership loan, including a financing lease, provided that such lease transfers the ownership of the leased property to each lessee following the payment of all required lease payments as specified in each lease agreement.

~~(11)~~(12) "Operating loan" means a loan to purchase livestock, farm or forestry equipment, or fixtures to pay annual operating expenses of a farm operation or agricultural facility, to pay loan closing costs, and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

~~(12)~~(13) "Program" means the Vermont Agricultural Credit Program established by this chapter.

~~(13)~~(14) "Project" or "agricultural project" means the creation, establishment, acquisition, construction, expansion, improvement, strengthening, reclamation, operation, or renovation of an agricultural facility or farm operation.

~~(14)~~(15) "Resident" means a person who is or will be domiciled in this State as evidenced by an intent to maintain a principal dwelling place in the State indefinitely and to return there if temporarily absent, coupled with an act or acts consistent with that intent, including the filing of a Vermont income tax return within 18 months of the application for a loan under this chapter. In the case of a limited liability company, partnership, corporation, or other business entity, resident means a business entity formed under the laws of Vermont, the majority of which is owned and operated by Vermont residents who are natural persons.

* * *

§ 374h. LOAN ELIGIBILITY STANDARDS

A farmer, or a limited liability company, partnership, corporation, or other business entity the majority ownership of which is vested in one or more farmers, shall be eligible to apply for a farm ownership or operating loan, provided the applicant is:

* * *

(4) an operator or proposed operator of an agricultural facility, ~~or~~ farm operation, or forest products business for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation;

* * *

(7) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, ~~or~~ agricultural facility, or forest products business;

* * *

(13) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property ~~with a satisfactory maturity date in no event later than 20 years from the date of inception of the mortgage,~~ or by a security agreement on personal property ~~with a satisfactory maturity date in no event longer than the average remaining useful life of the assets in which the security interest is being taken~~; and

* * *

Sec. A.7. REPEALS

(a) 2009 Acts and Resolves No. 54, Sec. 112(b), pledging up to $1,000,000.00 of the full faith and credit of the State for loss reserves for the Vermont Economic Development Authority small business loan program and TECH loan program, is repealed.

(b) In 10 V.S.A. chapter 12 (Vermont Economic Development Authority) the following are repealed:

(1) subchapter 2, §§ 221–229 (Mortgage Insurance); and

(2) subchapter 8, §§ 279–279b (Vermont Financial Access Program).

* * * Cooperatives; Electronic Voting * * *

Sec. B.1. 11 V.S.A. § 995 is amended to read:

§ 995. ARTICLES

Each association formed under this subchapter shall prepare and file articles of incorporation setting forth:

(1) The name of the association~~;~~.

(2) The purpose for which it is formed~~;~~.

(3) The place where its principal business will be transacted~~;~~.

(4) The names and addresses of the directors thereof who are to serve until the election and qualification of their successors~~;~~.

(5) The name and residence of the clerk~~;~~.

(6) When organized without capital stock, whether the property rights and interest of the members are equal, and, if unequal, the general rules applicable to all members by which the property rights and interest, respectively, of each member shall be determined and fixed, and provision for the admission of new members who shall be entitled to share in the property of the association in accordance with such general rules. This provision or paragraph of the certificate of organization shall not be altered, amended, or replaced except by the written consent or vote representing three-fourths of the members~~;~~.

(7) When organized with capital stock, the amount of such stock, the number of shares into which it is divided, and the par value thereof~~;~~.

(8) The capital stock may be divided into preferred and one or more classes of common stock. When so divided, the certificate of organization shall contain a statement of the number of shares of stock to which preference is granted, the number of shares of stock to which no preference is granted, and the nature and definite extent of the preference and privileges granted to each~~;~~.

(9) The articles of incorporation of any association organized under this subchapter ~~shall~~ may provide that the members or stockholders thereof shall have the right to vote in person ~~or alternate only and not by proxy or otherwise~~ or through another method of communication, including through a telecommunications or electronic medium, but a member or stockholder may not vote by proxy. This provision or paragraph of the articles of association shall not be altered and shall not be subject to amendment~~;~~.

(10) In addition to the foregoing, the articles of incorporation of any association incorporated hereunder may contain any provision consistent with law with respect to management, regulation, government, financing, indebtedness, membership, the establishment of voting districts and the election of delegates for representative purposes, the issuance, retirement, and transfer of its stock, if formed with capital stock, or any provisions relative to the way or manner in which it shall operate or with respect to its members, officers, or directors and any other provisions relating to its affairs~~;~~.

(11) The certificate shall be subscribed by the incorporators and shall be sworn to by one or more of them; and shall be filed with the ~~secretary of state~~ Secretary of State. A certified copy shall also be filed with the ~~secretary of agriculture, food and markets;~~ Secretary of Agriculture, Food and Markets.

(12) When so filed, the certificate of organization or a certified copy thereof shall be received in the courts of this ~~state~~ State as prima facie evidence of the facts contained therein and of the due incorporation of such association.

* * * Regional Planning and Economic Development * * *

Sec. C.1. 24 V.S.A. chapter 76 is amended to read:

CHAPTER 76. ECONOMIC DEVELOPMENT PERFORMANCE ~~CONTRACTS~~ GRANTS

* * *

§ 2782. PROPOSALS FOR PERFORMANCE ~~CONTRACTS~~ GRANTS FOR ECONOMIC DEVELOPMENT

(a) The Secretary shall ~~annually award~~ negotiate and issue performance ~~contracts~~ grants to qualified regional development corporations, regional planning commissions, or both in the case of a joint proposal, to provide economic development services under this chapter.

(b) A proposal shall be submitted in response to a request for proposals issued by the Secretary.

(c) The Secretary may require that a service provider submit with a proposal, or subsequent to the filing of a proposal, additional supportive data or information that he or she considers necessary to make a decision to award or to assess the effectiveness of a performance ~~contract~~ grant.

§ 2783. ELIGIBILITY FOR PERFORMANCE ~~CONTRACTS~~ GRANTS

Upon receipt of a proposal for a performance ~~contract~~ grant, the Secretary shall within 60 days determine whether or not the service provider may be awarded a performance ~~contract~~ grant under this chapter. The Secretary shall enter into a performance ~~contract~~ grant with a service provider if the Secretary finds:

(1) the service provider serves an economic region generally consistent with one or more of the State's regional planning commission regions;

(2) the service provider demonstrates the ability and willingness to provide planning and resource development services to local communities and to assist communities in evaluating economic conditions and prepare for economic growth and stability;

(3) the service provider demonstrates an ability to gather economic and demographic information concerning the area served;

(4) the service provider has, or demonstrates it will be able to secure, letters of support from the legislative bodies of the affected municipalities;

(5) the service provider demonstrates a capability and willingness to assist existing business and industry, to encourage the development and growth of small business, and to attract industry and commerce;

(6) the service provider appears to be the best qualified service provider from the region to accomplish and promote economic development;

(7) the service provider needs the performance ~~contract award~~ grant and that the performance ~~contract award~~ grant will be used for the employment of professional persons or expenses consistent with performance ~~contract~~ grant provisions, or both;

(8) the service provider presents an operating budget and has adequate funds available to match the performance ~~contract award~~ grant;

(9) the service provider demonstrates a willingness to involve the public of the region in its policy-making process by offering membership to representatives of all municipalities in the economic region which shall elect the directors of the governing board;

(10) the service provider demonstrates a willingness to coordinate its activities with the planning functions of any regional planning commission located in the same geographic area as the service provider.

§ 2784. TERMS OF PERFORMANCE ~~CONTRACTS~~ GRANTS

(a)(1) Funds available ~~under~~ through a performance ~~contract~~ grant may only be used by an applicant to perform the duties or provide the services ~~set forth~~ specified in the performance ~~contract~~ grant.

(2) The amount and terms of the performance ~~contract award~~ grant shall be determined by the ~~parties to the contract~~ Secretary.

(b) A performance ~~contract~~ grant shall be made for a period ~~agreed to by the parties~~ specified by the grant.

(c) Payments to a service provider shall be made pursuant to the terms of the performance ~~contract~~ grant.

§ 2784a. PLANS

A service provider awarded a performance ~~contract~~ grant under this chapter shall conduct its activities under subdivision 2784(a)(1) of this title consistent with local and regional plans.

* * *

§ 2786. APPLICABILITY OF STATE LAWS

(a) A service provider awarded a performance ~~contract~~ grant by the Secretary under this chapter shall be subject to 1 V.S.A. chapter 5, subchapter 2 (open meetings) and 1 V.S.A. chapter 5, subchapter 3 (public records), except that in addition to any limitation provided in subchapter 2 or 3:

(1) no person shall disclose any information relating to a proposed transaction or agreement between the service provider and another person, in furtherance of the service provider's public purposes under the law, prior to final execution of such transaction or agreement; and

(2) meetings of the service provider's board to consider such proposed transactions or agreements may be held in executive session under 1 V.S.A. § 313.

(b) Nothing in this section shall be construed to limit the exchange of information between or among regional development corporations or regional planning commissions concerning any activity of the corporations and the commissions, provided that such information shall be subject to the provisions of subsection (a) of this section.

(c) The provisions of 2 V.S.A. chapter 11 (registration of lobbyist) shall apply to regional development corporations and regional planning commissions.

* * *

Sec. C.2. 24 V.S.A. § 4341a is amended to read:

§ 4341a. PERFORMANCE ~~CONTRACTS~~ GRANTS FOR REGIONAL PLANNING SERVICES

(a) The Secretary of Commerce and Community Development shall negotiate and ~~enter into performance contracts with~~ issue performance grants to regional planning commissions, or ~~with~~ to regional planning commissions and regional development corporations in the case of a joint ~~contract~~ grant, to provide regional planning services.

(b) A performance ~~contract~~ grant shall address how the regional planning commission, or regional planning commission and regional development corporation jointly, will improve results and achieve savings compared with the current regional service delivery system, which may include:

(1) a proposal without change in the makeup or change of the area served;

(2) a joint proposal to provide different services ~~under one contract with~~ pursuant to a grant to one or more regional service providers;

(3) co-location with other local, regional, or State service providers;

(4) merger with one or more regional service providers;

(5) consolidation of administrative functions and additional operational efficiencies within the region; or

(6) such other cost-saving mechanisms as may be available.

* * * Vermont Training Program * * *

Sec. D.1. 10 V.S.A. § 531 is amended to read:

§ 531. THE VERMONT TRAINING PROGRAM

* * *

(e) Work-based learning activities.

(1) In addition to eligible training authorized in subsection (b) of this section, the Secretary of Commerce and Community Development may annually allocate up to 10 percent of the funding appropriated for the Program to fund work-based learning programs and activities with eligible employers to introduce Vermont students in a middle school, secondary school, career technical education program, or postsecondary school to manufacturers and other regionally significant employers.

(2) An employer with a defined work-based learning program or activity developed in partnership with a middle school, secondary school, career technical education program, or postsecondary school may apply to the Program for a grant to offset the costs the employer incurs for the work-based learning program or activity, including the costs of transportation, curriculum development, and materials.

* * *

(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. 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) 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 (2) of this subsection whether the training is onsite or classroom-based;

(4) the number of employees served;

(5) the average wage by employer;

(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; and

(10) the number, type, and description of grants for work-based learning programs and activities awarded pursuant to subsection (e) of this section.

* * * Corporations; Mergers, Conversions, Domestications, Share Exchanges, Limited Liability Company Technical Corrections * * *

Sec. E.1. 11A V.S.A. chapter 11 is amended to read:

~~CHAPTER 11. MERGER AND SHARE EXCHANGE~~

~~§ 11.01. MERGER~~

~~(a) One or more corporations may merge into another corporation if the board of directors of each corporation adopts and its shareholders (if required by section 11.03 of this title) approve a plan of merger.~~

~~(b) The plan of merger must set forth:~~

~~(1) the name of each corporation planning to merge and the name of the surviving corporation into which each other corporation plans to merge;~~

~~(2) the terms and conditions of the merger; and~~

~~(3) the manner and basis of converting the shares of each corporation into shares, obligations, or other securities of the surviving or any other corporation or into cash or other property in whole or in part.~~

(c) The plan of merger may set forth:

(1) amendments to the articles of incorporation of the surviving corporation; and

(2) other provisions relating to the merger.

§ 11.02. SHARE EXCHANGE

(a) A corporation may acquire all of the outstanding shares of one or more classes or series of another corporation if the board of directors of each corporation adopts and its shareholders (if required by section 11.03 of this title) approve the exchange.

(b) The plan of exchange must set forth:

(1) the name of the corporation whose shares will be acquired and the name of the acquiring corporation;

(2) the terms and conditions of the exchange;

(3) the manner and basis of exchanging the shares to be acquired for shares, obligations, or other securities of the acquiring or any other corporation or for cash or other property in whole or in part.

(c) The plan of exchange may set forth other provisions relating to the exchange.

(d) This section does not limit the power of a corporation to acquire all or part of the shares of one or more classes or series of another corporation through a voluntary exchange or otherwise.

§ 11.03. ACTION ON PLAN

(a) After adopting a plan of merger or share exchange, the board of directors of each corporation party to the merger, and the board of directors of the corporation whose shares will be acquired in the share exchange, shall submit the plan of merger (except as provided in subsection (g) of this section) or share exchange for approval by its shareholders.

(b) For a plan of merger or share exchange to be approved:

(1) the board of directors must recommend the plan of merger or share exchange to the shareholders, unless the board of directors determines that because of conflict of interest or other special circumstances it should make no recommendation and communicates the basis for its determination to the shareholders with the plan; and

(2) the shareholders entitled to vote must approve the plan.

~~(c) The board of directors may condition its submission of the proposed merger or share exchange on any basis.~~

~~(d) The corporation shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with section 7.05 of this title. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger or share exchange and contain or be accompanied by a copy or summary of the plan.~~

~~(e) Unless this title, the articles of incorporation, or the board of directors (acting pursuant to subsection (c) of this section) require a greater vote or a vote by voting groups, the plan of merger or share exchange to be authorized must be approved by each voting group entitled to vote separately on the plan by a majority of all the votes entitled to be cast on the plan by that voting group.~~

~~(f) Separate voting by voting groups is required:~~

~~(1) on a plan of merger if the plan contains a provision that, if contained in a proposed amendment to articles of incorporation, would require action by one or more separate voting groups on the proposed amendment under section 10.04 of this title;~~

~~(2) on a plan of share exchange by each class or series of shares included in the exchange, with each class or series constituting a separate voting group.~~

~~(g) Action by the shareholders of the surviving corporation on a plan of merger is not required if:~~

~~(1) the articles of incorporation of the surviving corporation will not differ (except for amendments enumerated in section 10.02 of this title) from its articles before the merger;~~

~~(2) each shareholder of the surviving corporation whose shares were outstanding immediately before the effective date of the merger will hold the same number of shares, with identical designations, preferences, limitations, and relative rights, immediately after;~~

~~(3) the number of voting shares outstanding immediately after the merger, plus the number of voting shares issuable as a result of the merger (either by the conversion of securities issued pursuant to the merger or the exercise of rights and warrants issued pursuant to the merger), will not exceed by more than 20 percent the total number of voting shares of the surviving corporation outstanding immediately before the merger; and~~

~~(4) the number of participating shares outstanding immediately after the merger, plus the number of participating shares issuable as a result of the~~

merger (either by the conversion of securities issued pursuant to the merger or the exercise of rights and warrants issued pursuant to the merger), will not exceed by more than 20 percent the total number of participating shares outstanding immediately before the merger.

(h) As used in subsection (g) of this section:

(1) "Participating shares" mean shares that entitle their holders to participate without limitation in distributions.

(2) "Voting shares" mean shares that entitle their holders to vote unconditionally in elections of directors.

(i) After a merger or share exchange is authorized, and at any time before articles of merger or share exchange are filed, the planned merger or share exchange may be abandoned (subject to any contractual rights), without further shareholder action, in accordance with the procedure set forth in the plan of merger or share exchange or, if none is set forth, in the manner determined by the board of directors.

§ 11.04. MERGER OF SUBSIDIARY

(a) A parent corporation owning at least 90 percent of the outstanding shares of each class of a subsidiary corporation may merge the subsidiary into itself without approval of the shareholders of the parent or subsidiary.

(b) The board of directors of the parent shall adopt a plan of merger that sets forth:

(1) the names of the parent and subsidiary; and

(2) the manner and basis of converting the shares of the subsidiary into shares, obligations, or other securities of the parent or any other corporation or into cash or other property in whole or in part.

(c) The parent shall mail a copy or summary of the plan merger to each shareholder of the subsidiary who does not waive the mailing requirement in writing.

(d) The parent may not deliver articles of merger to the secretary of state for filing until at least 30 days after the date it mailed a copy of the plan of merger to each shareholder of the subsidiary who did not waive the mailing requirement.

(e) Articles of merger under this section may not contain amendments to the articles of incorporation of the parent corporation (except for amendments enumerated in section 10.02 of this title).

~~§ 11.05. ARTICLES OF MERGER OR SHARE EXCHANGE~~

~~(a) After a plan of merger or share exchange is approved by the shareholders, or adopted by the board of directors if shareholder approval is not required, the surviving or acquiring corporation shall deliver to the secretary of state for filing, articles of merger or share exchange setting forth:~~

~~(1) the plan of merger or share exchange;~~

~~(2) if shareholder approval was not required, a statement to that effect;~~

~~(3) if approval of the shareholders of one or more corporations party to the merger or share exchange was required:~~

~~(A) the designation, number of outstanding shares, and number of votes entitled to be cast by each voting group entitled to vote separately on the plan as to each corporation; and~~

~~(B) either the total number of votes cast for and against the plan by each voting group entitled to vote separately on the plan or the total number of undisputed votes cast for the plan separately by each voting group and a statement that the number cast for the plan by each voting group was sufficient for approval by that voting group.~~

~~(b) A merger or share exchange takes effect upon the effective date of the articles of merger or share exchange as provided in section 1.23 of this title.~~

~~§ 11.06. EFFECT OF MERGER OR SHARE EXCHANGE~~

~~(a) When a merger takes effect:~~

~~(1) every other corporation party to the merger merges into the surviving corporation and the separate existence of every corporation except the surviving corporation ceases;~~

~~(2) the title to all real estate and other property owned by each corporation party to the merger is vested in the surviving corporation without reversion or impairment;~~

~~(3) the surviving corporation has all liabilities of each corporation party to the merger;~~

~~(4) a proceeding pending against any corporation party to the merger may be continued as if the merger did not occur or the surviving corporation may be substituted in the proceeding for the corporation whose existence ceased;~~

~~(5) the articles of incorporation of the surviving corporation are amended to the extent provided in the plan of merger; and~~

(6) the shares of each corporation party to the merger that are to be converted into shares, obligations, or other securities of the surviving or any other corporation or into cash or other property are converted, and the former holders of the shares are entitled only to the rights provided in the articles of merger or to their rights under chapter 13 of this title.

(b) When a share exchange takes effect, the shares of each acquired corporation are exchanged as provided in the plan, and the former holders of the shares are entitled only to the exchange rights provided in the articles of share exchange or to their rights under chapter 13 of this title.

§ 11.07. MERGER OR SHARE EXCHANGE WITH FOREIGN CORPORATION

(a) One or more foreign corporations may merge or enter into a share exchange with one or more domestic corporations if:

(1) in a merger, the merger is permitted by the law of the state or country under whose law each foreign corporation is incorporated and each foreign corporation complies with that law in effecting the merger;

(2) in a share exchange, the corporation whose shares will be acquired is a domestic corporation, whether or not a share exchange is permitted by the law of the state or country under whose law the acquiring corporation is incorporated;

(3) the foreign corporation complies with section 11.05 of this title if it is the surviving corporation of the merger or acquiring corporation of the share exchange; and

(4) each domestic corporation complies with the applicable provisions of sections 11.01 through 11.04 of this title and, if it is the surviving corporation of the merger or acquiring corporation of the share exchange, with section 11.05 of this title.

(b) Upon the merger or share exchange taking effect, the surviving foreign corporation of a merger and the acquiring foreign corporation of a share exchange is deemed:

(1) to appoint the secretary of state as its agent for service of process in a proceeding to enforce any obligation or the rights of dissenting shareholders of each domestic corporation party to the merger or share exchange; and

(2) to agree that it will promptly pay to the dissenting shareholders of each domestic corporation party to the merger or share exchange the amount, if any, to which they are entitled under chapter 13 of this title.

~~(c) This section does not limit the power of a foreign corporation to acquire all or part of the shares of one or more classes or series of a domestic corporation through a voluntary exchange or otherwise.~~

CHAPTER 11. CONVERSION, MERGER, SHARE EXCHANGE, AND DOMESTICATION

§ 11.01. DEFINITIONS

In this chapter:

(1) "Constituent corporation" means a constituent organization that is a corporation.

(2) "Constituent organization" means an organization that is a party to a conversion, merger, share exchange, or domestication pursuant to this chapter.

(3) "Conversion" means a transaction authorized by sections 11.02 through 11.07 of this title.

(4) "Converted organization" means the converting organization as it continues in existence after a conversion.

(5) "Converting organization" means the domestic organization that approves a plan of conversion pursuant to section 11.04 of this title or the foreign organization that approves a conversion pursuant to the law of its jurisdiction of formation.

(6) "Domestic organization" means an organization whose internal affairs are governed by the law of this State.

(7) "Domesticated corporation" means the corporation that exists after a domesticating corporation effects a domestication pursuant to sections 11.13 through 11.16 of this title.

(8) "Domesticating corporation" means the corporation that effects a domestication pursuant to sections 11.13 through 11.16 of this title.

(9) "Domestication" means a transaction authorized by sections 11.13 through 11.16 of this title.

(10) "Governing statute" means the statute that governs an organization's internal affairs.

(11) "Interest holder" means:

(A) a shareholder of a business corporation;

(B) a member of a nonprofit corporation;

(C) a general partner of a general partnership, including a limited liability partnership;

(D) a general partner of a limited partnership, including a limited liability partnership;

(E) a limited partner of a limited partnership, including a limited liability partnership;

(F) a member of a limited liability company;

(G) a shareholder of a general cooperative association;

(H) a member of a limited cooperative association or mutual benefit enterprise;

(I) a member of an unincorporated nonprofit association;

(J) a beneficiary or beneficial owner of a statutory trust, business trust, or common-law business trust; or

(K) any other direct holder of an interest.

(12) "Merger" means a merger authorized by sections 11.08 through 11.12 of this title.

(13) "Organization":

(A) means any of the following, whether a domestic or foreign organization, and regardless of whether organized for profit:

(i) a business corporation;

(ii) a nonprofit corporation;

(iii) a general partnership, including a limited liability partnership;

(iv) a limited partnership, including a limited liability limited partnership;

(v) a limited liability company;

(vi) a general cooperative association;

(vii) a limited cooperative association or mutual benefit enterprise;

(viii) an unincorporated nonprofit association;

(ix) a statutory trust, business trust, or common-law business trust; or

(x) any other person that has:

(I) a legal existence separate from any interest holder of that person; or

(II) the power to acquire an interest in real property in its own name; and

(B) does not include:

(i) an individual;

(ii) a trust with a predominantly donative purpose or a charitable trust;

(iii) an association or relationship that is not an organization listed in subdivision (A) of this subdivision (13) and is not a partnership under 11 V.S.A. chapter 22 or 23, or a similar provision of law of another jurisdiction;

(iv) a decedent's estate; or

(v) a government or a governmental subdivision, agency, or instrumentality.

(14) "Organizational documents" means the organizational documents for a domestic or foreign organization that create the organization, govern the internal affairs of the organization, and govern relations between or among its interest holders, including:

(A) for a general partnership, its statement of partnership authority and partnership agreement;

(B) for a limited liability partnership, its statement of qualification and partnership agreement;

(C) for a limited partnership, its certificate of limited partnership and partnership agreement;

(D) for a limited liability company, its certificate or articles of organization and operating agreement, or comparable records as provided in its governing statute;

(E) for a business trust, its agreement of trust and declaration of trust;

(F) for a business corporation, its certificate or articles of incorporation, bylaws, and other agreements among its shareholders which are authorized by its governing statute, or comparable records as provided in its governing statute; and

(G) for any other organization, the basic records that create the organization and determine its internal governance and the relations among the persons that own it, have an interest in it, or are members of it.

(15) "Personal liability" means:

(A) liability for a debt, obligation, or other liability of an organization which is imposed on a person:

(i) by the governing statute solely by reason of the person co-owning, having an interest in, or being a member of the organization; or

(ii) by the organization's organizational documents under a provision of the governing statute authorizing those documents to make one or more specified persons liable for all or specified debts, obligations, or other liabilities of the organization solely by reason of the person or persons co-owning, having an interest in, or being a member of the organization; or

(B) an obligation of an interest holder under the organizational documents of an organization to contribute to the organization.

(16) "Private organizational documents" means organizational documents or portions thereof for a domestic or foreign organization that are not part of the organization's public record, if any, and includes:

(A) the bylaws of a business corporation;

(B) the bylaws of a nonprofit corporation;

(C) the partnership agreement of a general partnership or limited liability partnership;

(D) the partnership agreement of a limited partnership or limited liability limited partnership;

(E) the operating agreement of a limited liability company;

(F) the bylaws of a general cooperative association;

(G) the bylaws of a limited cooperative association or mutual benefit enterprise;

(H) the governing principles of an unincorporated nonprofit association; and

(I) the trust instrument of a statutory trust or similar rules of a business trust or common-law business trust.

(17) "Protected agreement" means:

(A) a record evidencing indebtedness and any related agreement in effect on July 1, 2017;

(B) an agreement that is binding on an organization on July 1, 2017;

(C) the organizational documents of an organization in effect on July 1, 2017; or

(D) an agreement that is binding on any of the partners, directors, managers, or interest holders of an organization on July 1, 2017.

(18) "Public organizational documents" means the record of organizational documents required to be filed with the Secretary of State to form an organization, and any amendment to or restatement of that record, and includes:

(A) the articles of incorporation of a business corporation;

(B) the articles of incorporation of a nonprofit corporation;

(C) the statement of partnership authority of a general partnership;

(D) the statement of qualification of a limited liability partnership;

(E) the certificate of limited partnership of a limited partnership;

(F) the articles of organization of a limited liability company;

(G) the articles of incorporation of a general cooperative association;

(H) the articles of organization of a limited cooperative association or mutual benefit enterprise; and

(I) the certificate of trust of a statutory trust or similar record of a business trust.

(19) "Record," used as a noun, means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(20) "Share exchange" means a share exchange authorized by sections 11.08 through 11.12 of this title.

(21) "Surviving organization" means an organization into which one or more other organizations are merged whether the organization preexisted the merger or was created by the merger.

§ 11.02. CONVERSION AUTHORIZED

(a) By complying with sections 11.03 through 11.06 of this title, a domestic corporation may become a domestic organization that is a different type of organization.

(b) By complying with sections 11.03 through 11.06 of this title, a domestic organization may become a domestic corporation.

(c) By complying with sections 11.03 through 11.06 of this title applicable to foreign organizations, a foreign organization that is not a foreign corporation may become a domestic corporation if the conversion is authorized by the law of the foreign organization's jurisdiction of formation.

(d) If a protected agreement contains a provision that applies to a merger of a domestic corporation but does not refer to a conversion, the provision applies

to a conversion of the corporation as if the conversion were a merger until the provision is amended after July 1, 2017.

§ 11.03. PLAN OF CONVERSION

(a) A domestic corporation may convert to a different type of organization under section 11.02 of this title by approving a plan of conversion, and a domestic organization, other than a corporation, may convert into a domestic corporation by approving a plan of conversion. The plan shall be in a record and shall contain:

(1) the name of the converting corporation or organization;

(2) the name, jurisdiction of formation, and type of organization of the converted organization;

(3) the manner and basis for converting an interest holder's interest in the converting organization into any combination of an interest in the converted organization and other consideration;

(4) the proposed public organizational documents of the converted organization if it will be an organization with public organizational documents filed with the Secretary of State;

(5) the full text of the private organizational documents of the converted organization that are proposed to be in a record;

(6) the other terms and conditions of the conversion; and

(7) any other provision required by the law of this State or the organizational documents of the converting corporation.

(b) A plan of conversion may contain any other provision not prohibited by law.

§ 11.04. APPROVAL OF CONVERSION

Subject to section 11.17 of this title and any contractual rights, a converting organization shall approve a plan of conversion as follows:

(1) a domestic corporation shall approve a plan of conversion in accordance with the procedures for approving a merger under section 11.10 of this title;

(2) any other organization shall approve a plan of conversion in accordance with its governing statute and its organizational documents; provided:

(A) if its organizational documents do not address the manner for approving a conversion, then a plan of conversion shall be approved by the same vote required under the organizational documents for a merger; and

(B) if its organizational documents do not provide for approval of a merger, then by the approval of the number or percentage of interest holders required to approve a merger under the governing statute.

§ 11.05. AMENDMENT OR ABANDONMENT OF PLAN OF CONVERSION

(a) A domestic corporation may amend a plan of conversion:

(1) in the same manner the corporation approved the plan, if the plan does not specify how to amend the plan; or

(2) by its directors and shareholders as provided in the plan, but a shareholder who was entitled to vote on or consent to approval of the conversion is entitled to vote on or consent to an amendment of the plan that will change:

(A) the amount or kind of consideration the shareholder may receive under the plan;

(B) the public organizational documents, if any, or private organizational documents of the converted organization in effect after the conversion, except for a change that the interest holders of the converted organization are not required to approve under its governing statute or organizational documents; or

(C) other terms or conditions of the plan if the change would adversely affect the shareholder in any material respect.

(b) A domestic general or limited partnership may amend a plan of conversion:

(1) in the same manner the partnership approved the plan, if the plan does not specify how to amend the plan; or

(2) by the partners as provided in the plan, but a partner who was entitled to vote on or consent to approval of the conversion is entitled to vote on or consent to an amendment of the plan that will change:

(A) the amount or kind of consideration the partner may receive under the plan;

(B) the public organizational documents, if any, or private organizational documents of the converted organization in effect after the conversion, except for a change that the interest holders of the converted organization are not required to approve under its governing statute or organizational documents; or

(C) other terms or conditions of the plan if the change would adversely affect the partner in any material respect.

(c) A domestic limited liability company may amend a plan of conversion:

(1) in the same manner the company approved the plan, if the plan does not specify how to amend the plan; or

(2) by the managers or members as provided in the plan, but a member who was entitled to vote on or consent to approval of the conversion is entitled to vote on or consent to an amendment of the plan that will change:

(A) the amount or kind of consideration the member may receive under the plan;

(B) the public organizational documents, if any, or private organizational documents of the converted organization in effect after the conversion, except for a change that the interest holders of the converted organization are not required to approve under its governing statute or organizational documents; or

(C) other terms or conditions of the plan if the change would adversely affect the member in any material respect.

(d)(1) After a domestic converting organization approves a plan of conversion, and before a statement of conversion takes effect, the organization may abandon the conversion as provided in the plan.

(2) Unless prohibited by the plan, the organization may abandon the plan in the same manner it approved the plan.

(e)(1) A domestic converting organization that abandons a plan of conversion pursuant to subsection (d) of this section shall deliver a signed statement of abandonment to the Secretary of State for filing before the statement of conversion takes effect.

(2) The statement of abandonment shall contain:

(A) the name of the converting organization;

(B) the date the Secretary of State filed the statement of conversion; and

(C) a statement that the converting organization has abandoned the conversion pursuant to this section.

(3) A statement of abandonment takes effect, on filing, and on filing the conversion is abandoned and does not take effect.

§ 11.06. STATEMENT OF CONVERSION; EFFECTIVE DATE OF CONVERSION

(a) A converting organization shall sign a statement of conversion and deliver it to the Secretary of State for filing.

(b) A statement of conversion shall contain:

(1) the name, jurisdiction of formation, and type of organization prior to the conversion;

(2) the name, jurisdiction of formation, and type of organization following the conversion;

(3) if the converting organization is a domestic organization, a statement that the organization approved the plan of conversion in accordance with the provisions of this chapter, or, if the converting organization is a foreign organization, a statement that the organization approved the conversion in accordance with its governing statute; and

(4) the public organizational documents of the converted organization.

(c) A statement of conversion may contain any other provision not prohibited by law.

(d) If the converted organization is a domestic organization, its public organizational documents, if any, shall comply with the law of this State.

(e)(1) If a converted organization is a domestic corporation, its conversion takes effect when the statement of conversion takes effect.

(2) If a converted organization is not a domestic corporation, its conversion takes effect on the later of:

(A) the date and time provided by its governing statute; or

(B) when the statement of conversion takes effect.

§ 11.07. EFFECT OF CONVERSION

(a) When a conversion takes effect:

(1) The converted organization is:

(A) organized under and subject to the governing statute of the converted organization; and

(B) the same organization continuing without interruption as the converting organization.

(2) The property of the converting organization continues to be vested in the converted organization without transfer, assignment, reversion, or impairment.

(3) The debts, obligations, and other liabilities of the converting organization continue as debts, obligations, and other liabilities of the converted organization.

(4) Except as otherwise provided by law or the plan of conversion, the rights, privileges, immunities, powers, and purposes of the converting organization remain in the converted organization.

(5) A court or other authority may substitute the name of the converted organization for the name of the converting organization in any pending action or proceeding.

(6) The public organizational documents of the converted organization takes effect.

(7) The provisions of the organizational documents of the converted organization that are required to be in a record, if any, that were approved as part of the plan of conversion take effect.

(8) The interests in the converting organization are converted, and the interest holders of the converting organization are entitled only to the rights provided to them under the plan of conversion.

(b) Except as otherwise provided in the organizational documents of a domestic converting organization, a conversion does not give rise to any rights that a shareholder, member, partner, limited partner, director, or third party would have upon a dissolution, liquidation, or winding up of the converting organization.

(c) When a conversion takes effect, a person who did not have personal liability with respect to the converting organization and becomes subject to personal liability with respect to the converted organization as a result of the conversion has personal liability only to the extent provided by the governing statute of the converted organization and only for those debts, obligations, and other liabilities that the converted organization incurs after the conversion.

(d) When a conversion takes effect, a person who had personal liability for a debt, obligation, or other liability of the converting organization but who does not have personal liability with respect to the converted organization is subject to the following rules:

(1) The conversion does not discharge any personal liability under this title to the extent the personal liability was incurred before the conversion took effect.

(2) The person does not have personal liability under this title for any debt, obligation, or other liability that arises after the conversion takes effect.

(3) This title continues to apply to the release, collection, or discharge of any personal liability preserved under subdivision (1) of this subsection as if the conversion had not occurred.

(4) The person has the rights of contribution from another person that are provided by this title, law other than this title, or the organizational documents of the converting organization with respect to any personal liability preserved under subdivision (1) of this subsection as if the conversion had not occurred.

(e) When a conversion takes effect, a person may serve a foreign organization that is the converted organization with process in this State for the collection and enforcement of any of its debts, obligations, and other liabilities as provided in section 5.04 of this title.

(f) If the converting organization is a registered foreign organization, its registration to do business in this State is canceled when the conversion takes effect.

(g) A conversion does not require an organization to wind up its affairs and does not constitute or cause the dissolution of the organization.

§ 11.08. MERGER AUTHORIZED; PLAN OF MERGER

(a) A corporation organized pursuant to this title may merge with one or more other constituent organizations pursuant to this section and sections 11.09 through 11.12 of this title and a plan of merger if:

(1) the governing statute of each of the other constituent organizations authorizes the merger;

(2) the merger is not prohibited by the law of a jurisdiction that enacted any of the governing statutes; and

(3) each of the other constituent organizations complies with its governing statute in effecting the merger.

(b) A plan of merger shall be in a record and shall include:

(1) the name and type of each constituent organization;

(2) the name and type of the surviving constituent organization and, if the surviving constituent organization is created by the merger, a statement to that effect;

(3) the terms and conditions of the merger, including the manner and basis for converting an interest holder's interest in each constituent organization into any combination of an interest in the surviving organization and other consideration;

(4) if the merger creates the surviving constituent organization, the surviving constituent organization's organizational documents that are proposed to be in a record; and

(5) if the merger does not create the surviving constituent organization, any amendments to the surviving constituent organization's organizational documents that are, or are proposed to be, in a record.

§ 11.09. SHARE EXCHANGE AUTHORIZED; PLAN OF SHARE EXCHANGE

(a) A corporation may acquire all of the outstanding shares of one or more classes or series of another corporation if the board of directors of each corporation adopts, and its shareholders, if required under section 11.10 of this title, approve a plan of share exchange.

(b) The plan of share exchange shall be in a record and shall include:

(1) the name of the corporation whose shares will be acquired and the name of the acquiring corporation; and

(2) the terms and conditions of the share exchange; including the manner and basis of exchanging the shares to be acquired in exchange for shares of the acquiring corporation or other consideration.

(c) The plan of share exchange may contain any other provision not prohibited by law.

§ 11.10. APPROVAL OF PLAN OF MERGER OR SHARE EXCHANGE

(a) Subject to section 11.17 of this title and any contractual rights, a constituent organization shall approve a plan of merger or share exchange as follows:

(1) if the constituent organization is a corporation:

(A) the board of directors must recommend the plan of merger or share exchange to the shareholders, unless the board of directors determines that because of conflict of interest or other special circumstances it should make no recommendation and communicates the basis for its determination to the shareholders with the plan; and

(B) the shareholders entitled to vote must approve the plan; and

(2) if the constituent organization is not a corporation, the plan of merger or share exchange shall be approved in accordance with the organization's governing statute and organizational documents.

(b) The board of directors of a constituent corporation may condition its submission of the proposed merger or share exchange on any basis.

(c) For a constituent organization that is a domestic corporation:

(1)(A) The constituent organization shall notify each shareholder, whether or not entitled to vote, of the proposed shareholders' meeting in accordance with section 7.05 of this title.

(B) The notice shall also state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger or share exchange and contain or be accompanied by a copy or summary of the plan.

(2) Unless this title, the articles of incorporation, or the board of directors acting pursuant to subsection (b) of this section requires a greater vote or a vote by voting groups, the plan of merger or share exchange must be approved by each voting group entitled to vote separately on the plan by a majority of all the votes entitled to be cast on the plan by that voting group.

(3) Separate voting by voting groups is required:

(A) on a plan of merger if the plan contains a provision that, if contained in a proposed amendment to articles of incorporation, would require action by one or more separate voting groups on the proposed amendment under section 10.04 of this title; and

(B) on a plan of share exchange by each class or series of shares included in the exchange, with each class or series constituting a separate voting group.

(4) Action by the shareholders of the surviving corporation on a plan of merger is not required if:

(A) the articles of incorporation of the surviving corporation will not differ, except for amendments enumerated in section 10.02 of this title, from its articles before the merger;

(B) each shareholder of the surviving corporation whose shares were outstanding immediately before the effective date of the merger will hold the same number of shares, with identical designations, preferences, limitations, and relative rights, immediately after;

(C) the number of voting shares outstanding immediately after the merger, plus the number of voting shares issuable as a result of the merger, either by the conversion of securities issued pursuant to the merger or the exercise of rights and warrants issued pursuant to the merger, will not exceed by more than 20 percent the total number of voting shares of the surviving corporation outstanding immediately before the merger; and

(D) the number of participating shares outstanding immediately after the merger, plus the number of participating shares issuable as a result of the merger, either by the conversion of securities issued pursuant to the merger or the exercise of rights and warrants issued pursuant to the merger, will not

exceed by more than 20 percent the total number of participating shares outstanding immediately before the merger.

(5) As used in this subsection:

(A) "Participating shares" means shares that entitle their holders to participate without limitation in distributions.

(B) "Voting shares" means shares that entitle their holders to vote unconditionally in elections of directors.

(d) Subject to section 11.17 of this title and any contractual rights, after a constituent organization approves a merger or share exchange, and before the organization delivers articles of merger or share exchange to the Secretary of State for filing, a constituent organization may amend the plan or abandon the merger or share exchange:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, in the same manner it approved the plan.

§ 11.11. FILING REQUIRED FOR MERGER OR SHARE EXCHANGE; EFFECTIVE DATE

(a) After each constituent organization approves a merger or share exchange, a person with appropriate authority shall sign articles of merger or share exchange on behalf of:

(1) each constituent corporation; and

(2) each other constituent organization as required by its governing statute.

(b) Articles of merger under this section shall be in a record and shall include:

(1) the name and type of each constituent organization and the jurisdiction of its governing statute;

(2) the name and type of the surviving constituent organization, the jurisdiction of its governing statute, and, if the merger creates the surviving constituent organization, a statement to that effect;

(3) the date the merger takes effect under the governing statute of the surviving constituent organization;

(4) if the merger creates the surviving constituent organization, its public organizational documents;

(5) if the surviving constituent organization preexists the merger, any amendments to its public organizational documents;

(6) a statement on behalf of each constituent organization that it approved the merger as required by its governing statute;

(7) if the surviving constituent organization is a foreign constituent organization not authorized to transact business in this State, the street and mailing addresses of an office that the Secretary of State may use for service of process pursuant to subsection 5.04(b) of this title; and

(8) any additional information the governing statute of a constituent organization requires.

(c) A merger takes effect under this chapter:

(1) if the surviving constituent organization is a corporation, upon the later of:

(A) compliance with subsection (f) of this section; or

(B) subject to section 1.23 of this title, as specified in the articles of merger; or

(2) if the surviving constituent organization is not a corporation, as provided by the governing statute of the surviving constituent organization.

(d) Articles of share exchange under this section shall be in a record and shall include:

(1) the name and type of each constituent organization and the jurisdiction of its governing statute;

(2) the date the share exchange takes effect under the governing statute of each of the constituent organizations;

(3) a statement on behalf of each constituent organization that it approved the share exchange as required by its governing statute;

(4) if either constituent organization is a foreign organization not authorized to transact business in this State, the street and mailing addresses of an office that the Secretary of State may use for service of process pursuant to subsection 5.04(b) of this title; and

(5) any additional information the governing statute of a constituent organization requires.

(e) A share exchange takes effect under this chapter upon the later of:

(1) compliance with subsection (f) of this section; or

(2) subject to section 1.23 of this title, as specified in the articles of share exchange.

(f) Each constituent organization shall deliver the articles of merger or share exchange for filing in the Office of the Secretary of State.

§ 11.12. EFFECT OF MERGER OR SHARE EXCHANGE

(a) When a merger takes effect:

(1) the surviving constituent organization continues or comes into existence;

(2) each constituent organization that merges into the surviving constituent organization ceases to exist as a separate entity;

(3) the property of each constituent organization that ceases to exist vests in the surviving constituent organization without transfer, assignment, reversion, or impairment;

(4) the debts, obligations, and other liabilities of each constituent organization that ceases to exist continue as debts, obligations, and other liabilities of the surviving constituent organization;

(5) an action or proceeding pending by or against a constituent organization that ceases to exist continues as if the merger did not occur;

(6) except as prohibited by other law, the rights, privileges, immunities, powers, and purposes of each constituent organization that ceases to exist vest in the surviving constituent organization;

(7) except as otherwise provided in the plan of merger, the terms and conditions of the plan of merger take effect;

(8) except as otherwise agreed, if a constituent corporation ceases to exist, the merger does not dissolve the corporation for the purposes of chapter 14 of this title;

(9) if the merger creates the surviving constituent organization, its public organizational documents take effect; and

(10) if the surviving constituent organization preexists the merger, any amendments to its public organizational documents take effect.

(b)(1) A surviving constituent organization that is a foreign organization consents to the jurisdiction of the courts of this State to enforce a debt, obligation, or other liability the constituent organization owes, if before the merger the constituent organization was subject to suit in this State on the debt, obligation, or other liability.

(2) A surviving constituent organization that is a foreign organization and not authorized to transact business in this State appoints the Secretary of State as its agent for service of process for the purposes of enforcing a debt, obligation, or other liability under this subsection.

(3) A person shall serve the Secretary of State under this subsection in the same manner, and the service has the same consequences, as in section 5.04 of this title.

(c) When a share exchange takes effect:

(1) the shares of each acquired constituent organization are exchanged as provided in the plan of share exchange; and

(2) the former holders of the shares are entitled only to the exchange rights provided in the articles of share exchange or to their rights under chapter 13 of this title.

§ 11.13. DOMESTICATION AUTHORIZED

(a) A foreign corporation may become a domestic corporation pursuant to this section and sections 11.14 through 11.17 of this title and a plan of domestication if:

(1) the foreign corporation's governing statute and its organizational documents permit the domestication; and

(2) the foreign corporation complies with its governing statute and organizational documents.

(b) A domestic corporation may become a foreign corporation pursuant to this section and sections 11.14 through 11.17 of this title and a plan of domestication if:

(1) its organizational documents permit the domestication; and

(2) the corporation complies with this section and sections 11.14 through 11.17 of this title and its organizational documents.

(c) A plan of domestication shall be in a record and shall include:

(1) the name of the domesticating corporation before domestication and the jurisdiction of its governing statute;

(2) the name of the domesticated corporation after domestication and the jurisdiction of its governing statute;

(3) the terms and conditions of the domestication, including the manner and basis for converting an interest holder's interest in the domesticating organization into any combination of an interest in the domesticated organization and other consideration; and

(4) the organizational documents of the domesticated corporation that are, or are proposed to be, in a record.

§ 11.14. ACTION ON PLAN OF DOMESTICATION

(a) A domesticating corporation shall approve a plan of domestication as follows:

(1) if the domesticating corporation is a domestic corporation, in accordance with this chapter and the corporation's organizational documents; provided that:

(A) if its organizational documents do not specify the vote needed to approve domestication, then by the same vote required for a merger under its organizational documents; or

(B) if its organizational documents do not specify the vote required for a merger, then by the number or percentage of shareholders required to approve a merger under this chapter;

(2) if the domesticating corporation is a foreign corporation, as provided in its organizational documents and governing statute.

(b) Subject to any contractual rights, after a domesticating corporation approves a domestication and before it delivers articles of domestication to the Secretary of State for filing, the domesticating corporation may amend the plan or abandon the domestication:

(1) as provided in the plan; or

(2) except as otherwise prohibited by the plan, in the same manner it approved the plan.

§ 11.15. FILING REQUIRED FOR DOMESTICATION; EFFECTIVE DATE

(a) A domesticating corporation that approves a plan of domestication shall deliver to the Secretary of State for filing articles of domestication that include:

(1) a statement, as the case may be, that the corporation was domesticated from or into another jurisdiction;

(2) the name of the corporation and the jurisdiction of its governing statute prior to the domestication;

(3) the name of the corporation and the jurisdiction of its governing statute following domestication;

(4) the date the domestication takes effect under the governing statute of the domesticated company; and

(5) a statement that the corporation approved the domestication as required by the governing statute of the jurisdiction to which it is domesticating.

(b) When a domesticating corporation delivers articles of domestication to the Secretary of State pursuant to subsection (a) of this section, it shall include:

(1) if the domesticating corporation will be a domestic corporation, articles of incorporation pursuant to section 2.02 of this title;

(2) if the domesticating corporation will be a foreign corporation authorized to transact business in this State, an application for a certificate of authority pursuant to section 15.03 of this title; or

(3) if the domesticating corporation will be a foreign corporation that is not authorized to transact business in this State, the street and mailing addresses of an office that the Secretary of State may use for service of process pursuant to subsection 5.04(b) of this title.

(c) A domestication takes effect:

(1) when the articles of domestication of the domesticating corporation take effect, if the corporation is domesticating to this State; and

(2) according to the governing statute of jurisdiction to which the corporation is domesticating.

§ 11.16. EFFECT OF DOMESTICATION

(a) When a domestication takes effect:

(1) The domesticated corporation is for all purposes the corporation that existed before the domestication.

(2) The property owned by the domesticating corporation remains vested in the domesticated corporation.

(3) The debts, obligations, and other liabilities of the domesticating corporation continue as debts, obligations, and other liabilities of the domesticated corporation.

(4) An action or proceeding pending by or against a domesticating corporation continues as if the domestication had not occurred.

(5) Except as prohibited by other law, the rights, privileges, immunities, powers, and purposes of the domesticating corporation remain vested in the domesticated corporation.

(6) Except as otherwise provided in the plan of domestication, the terms and conditions of the plan of domestication take effect.

(7) Except as otherwise agreed, the domestication does not dissolve a domesticating corporation for the purposes of this chapter 11.

(b)(1) A domesticated corporation that was a foreign corporation consents to the jurisdiction of the courts of this State to enforce a debt, obligation, or other liability the domesticating corporation owes, if, before the domestication, the domesticating corporation was subject to suit in this State on the debt, obligation, or other liability.

(2) A domesticated corporation that was a foreign corporation and not authorized to transact business in this State appoints the Secretary of State as its agent for service of process for purposes of enforcing a debt, obligation, or other liability under this subsection.

(3) A person shall serve the Secretary of State under this subsection in the same manner, and the service has the same consequences, as in section 5.04 of this title.

(c) A corporation that domesticates in a foreign jurisdiction shall deliver to the Secretary of State for filing a statement surrendering the corporation's certificate of organization that includes:

(1) the name of the corporation;

(2) a statement that the articles of incorporation are surrendered in connection with the domestication of the company in a foreign jurisdiction;

(3) a statement that the corporation approved the domestication as required by this title; and

(4) the name of the relevant foreign jurisdiction.

§ 11.17. RESTRICTION ON APPROVAL OF CONVERSION, MERGER, AND DOMESTICATION

(a) An approval or amendment of a plan of conversion, plan of merger, or plan of domestication under this chapter is ineffective without the approval of each interest holder of a surviving constituent who will have personal liability for a debt, obligation, or other liability of the organization, unless:

(1) a provision of the organization's organizational documents provides in a record that some or all of its interest holders may be subject to personal liability by a vote or consent of fewer than all of the interest holders; and

(2)(A) the interest holder voted for or consented in a record to the provision referenced in subdivision (1)(A) of this subsection; or

(B) the interest holder became an interest holder after the organization adopted the provision referenced in subdivision (1)(A) of this subsection.

(b) An interest holder does not provide consent as required in subdivision (a)(2)(A) of this section merely by consenting to a provision of the organizational documents that permits the organization to amend the organizational documents with the approval of fewer than all of the interest holders.

§ 11.18. CHAPTER NOT EXCLUSIVE

(a) This chapter does not preclude an organization from being converted, merged, or domesticated under law other than this title.

(b) This chapter does not limit the power of a corporation to acquire all or part of the shares of one or more classes or series of another corporation through means other than those included in this chapter.

Sec. E.2. 11A V.S.A. § 13.02 is amended to read:

§ 13.02. RIGHT TO DISSENT

(a) A shareholder is entitled to dissent from, and obtain payment of the fair value of his or her shares in the event of, any of the following corporate actions:

(1) Merger. Consummation of a plan of merger to which the corporation is a party:

(A) if shareholder approval is required for the merger by section ~~11.03~~ 11.10 of this title or the articles of incorporation and the shareholder is entitled to vote on the merger; or

(B) if the corporation is a subsidiary that is merged with its parent under section ~~11.04~~ 11.08 of this title~~;~~.

(2) Share exchange. Consummation of a plan of share exchange to which the corporation is a party as the corporation whose shares will be acquired, if the shareholder is entitled to vote on the plan~~;~~.

(3) Conversion. Consummation of a plan of conversion pursuant to section 11.03 of this title to which the corporation is a party unless the shareholders of the corporation will have the same dissenters' rights after conversion to the converted organization as they hold before conversion.

(4) Domestication. Consummation of a plan of domestication pursuant to section 11.14 of this title to which the corporation is a party unless the shareholders of the corporation will have the same dissenters' rights after domestication to the domesticated organization as they hold before domestication.

(5) Sale of assets. Consummation of a sale or exchange of all, or substantially all, of the property of the corporation other than in the usual and

regular course of business, if the shareholder is entitled to vote on the sale or exchange, including a sale in dissolution, but not including a sale pursuant to court order or a sale for cash pursuant to a plan by which all or substantially all of the net proceeds of the sale will be distributed to the shareholders within one year after the date of sale~~;~~.

~~(4)~~(6) Amendment to articles. An amendment of the articles of incorporation that materially and adversely affects rights in respect of a dissenter's shares because it:

(A) alters or abolishes a preferential right of the shares;

(B) creates, alters, or abolishes a right in respect of redemption, including a provision respecting a sinking fund for the redemption or repurchase, of the shares;

(C) alters or abolishes a preemptive right of the holder of the shares to acquire shares or other securities;

(D) excludes or limits the right of the shares to vote on any matter, or to cumulate votes, other than a limitation by dilution through issuance of shares or other securities with similar voting rights; or

(E) reduces the number of shares owned by the shareholder to a fraction of a share if the fractional share so created is to be acquired for cash under section 6.04 of this title~~; or~~.

~~(5)~~(7) Market exception. Any corporate action taken pursuant to a shareholder vote to the extent the articles of incorporation, bylaws, or a resolution of the board of directors provides that voting or nonvoting shareholders are entitled to dissent and obtain payment for their shares.

(b) A shareholder entitled to dissent and obtain payment for his or her shares under this chapter may not challenge the corporate action creating his or her entitlement unless the action is unlawful or fraudulent with respect to the shareholder or the corporation.

Sec. E.3. 11 V.S.A. chapter 25 is amended to read:

CHAPTER 25. LIMITED LIABILITY COMPANIES

* * *

§ 4003. EFFECT OF OPERATING AGREEMENT; NONWAIVABLE PROVISIONS

(a) Except as otherwise provided in subsection (b) of this section, an operating agreement regulates the affairs of the company and the conduct of its business and governs relations among the members, among the managers, and among the members, managers, and the limited liability company. To the

extent the operating agreement does not otherwise provide, this chapter regulates the affairs of the company, the conduct of its business, and governs relations among the members, among the managers, and among members, managers, and the limited liability company.

(b) An operating agreement may not:

(1) vary a limited liability company's capacity under subsection 4011(e) of this title to sue and be sued in its own name;

(2) except as provided in subchapter 8 of this chapter, vary the law applicable under subsection 4011(g) of this title;

(3) vary the power of the court under section 4030 of this title;

(4) subject to subsections (c) through (f) of this section, eliminate or restrict the duty of loyalty, the duty of care, or any other fiduciary duty;

(5) subject to subsections (c) through (f) of this section, eliminate or restrict the contractual obligation of good faith and fair dealing under subsection 4059(d) of this title;

(6) unreasonably restrict the duties and rights with respect to books, records, and other information stated in section 4058 of this title, but the operating agreement may impose reasonable restrictions on the availability and use of information obtained under that section and may define appropriate remedies, including liquidated damages, for a breach of any reasonable restriction on use;

(7) vary the power of a court to decree dissolution in the circumstances specified in subdivision 4101(a)(4) of this title;

(8) vary the requirement to wind up a limited liability company's business as specified in section ~~4102~~ 4101 of this title;

* * *

§ 4141. DEFINITIONS

~~In~~ As used in this subchapter:

* * *

(3) "Conversion" means a transaction authorized by sections ~~by~~ 4142 through 4147 of this title.

* * *

(13) "Limited partnership" means a limited partnership created under chapter ~~11~~ 23 of this title, a predecessor law, or comparable law of another jurisdiction.

* * *

(17) "Partnership" means a general partnership under chapter ~~9~~ 22 of this title, a predecessor law, or comparable law of another jurisdiction.

* * *

(21) "Protected agreement" means:

(A) ~~a record~~ an instrument or agreement evidencing indebtedness ~~and any related agreement~~ of an organization in effect ~~on the effective date set forth in section 4171 of this title~~ on July 1, 2016, or on the date the organization elects to become subject to this chapter, whichever is earlier;

(B) an agreement that is binding on an organization ~~on the effective date set forth in section 4171 of this title~~ on July 1, 2016, or on the date the organization elects to become subject to this chapter, whichever is earlier;

(C) the organizational documents of an organization in effect ~~on the effective date set forth in section 4171 of this title~~ on July 1, 2016, or on the date the organization elects to become subject to this chapter, whichever is earlier; or

(D) an agreement that is binding on any of the ~~governors~~ directors, officers, general partners, managers, or interest holders of an organization ~~on the effective date set forth in section 4171 of this title~~ on July 1, 2016, or on the date the organization elects to become subject to this chapter, whichever is earlier.

* * *

§ 4142. CONVERSION AUTHORIZED

(a) By complying with sections ~~4142~~ 4143 through 4146 of this title, a domestic limited liability company may become a domestic organization that is a different type of organization.

(b) By complying with sections 4143 through 4146 of this title, a domestic limited liability company may convert into a different type of foreign organization if the conversion is authorized by the foreign statute that governs the organization after conversion and the converting organization complies with the statute.

(c) By complying with sections ~~4142~~ 4143 through 4146 of this title, a domestic ~~partnership or limited partnership~~ organization may become a domestic limited liability company.

~~(c)~~(d) By complying with sections ~~4142~~ 4143 through 4146 of this title applicable to foreign organizations, a foreign organization that is not a foreign limited liability company may become a domestic limited liability company if

the conversion is authorized by the law of the foreign organization's jurisdiction of formation.

~~(d)~~(e) If a protected agreement contains a provision that applies to a merger of a domestic limited liability company but does not refer to a conversion, the provision applies to a conversion of the company as if the conversion were a merger until the provision is amended ~~after the effective date set forth in section 4171 of this title~~ after July 1, 2016, or after the date the organization elects to become subject to this chapter, whichever is earlier.

* * *

§ 4149. ACTION ON PLAN OF MERGER BY CONSTITUENT LIMITED LIABILITY COMPANY

(a) Subject to section 4156 of this title, a plan of merger shall be approved in accordance with the organizational documents of the constituent limited liability company, or, in the absence of a provision governing approval of ~~conversions~~ a merger, by all the members of the limited liability company entitled to vote on or consent to any matter.

(b) Subject to section 4156 of this title and any contractual rights, after a merger is approved, and at any time before the articles of merger are delivered to the Secretary of State for filing under section 4150 of this title, a constituent limited liability company may amend the plan or abandon the merger:

(1) as provided in the plan; or

(2) except as otherwise prohibited in the plan, with the same consent as was required to approve the plan.

* * *

Sec. E.4. 11 V.S.A. § 1623 is amended to read:

§ 1623. REGISTRATION BY ~~CORPORATIONS AND LIMITED LIABILITY COMPANIES~~ BUSINESS ORGANIZATIONS

(a) A ~~corporation or limited liability company~~ business organization doing business in this State under any name other than that of the ~~corporation or limited liability company~~ business organization shall be subject to all the provisions of this chapter; and shall file returns sworn to by some officer or ~~member~~ director of ~~such~~ the corporation or mutual benefit enterprise, or by some member or manager of ~~such~~ the limited liability company, or by some partner of the partnership or limited partnership, setting forth:

(1) the name and location of the principal office of the business organization;

(2) the ~~name other than the corporation or limited liability company~~ name under which ~~such~~ the organization will conduct business ~~is carried on,~~;

(3) the ~~name of the~~ town ~~wherein such business is to be carried on,~~ or towns where the organization conducts business under the name; and

(4) a brief description of the kind of business ~~transacted under such name, and the corporate or the limited liability company name and location of the principal office of such corporation or limited liability company~~ the organization conducts under the name.

* * *

* * * Vermont State Treasurer; Public Retirement Plan * * *

Sec. F.1. INTERIM STUDY ON THE FEASIBILITY OF ESTABLISHING A PUBLIC RETIREMENT PLAN

(a) Creation of Committee.

(1) There is created a Public Retirement Plan Study Committee to evaluate the feasibility of establishing a public retirement plan.

(2) It is the intent of the General Assembly that the Committee continue the work of the Public Retirement Plan Study Committee created in 2014 Acts and Resolves No. 179, Sec. C.108, as amended by 2015 Acts and Resolves No. 58, Sec. C.100, which ceased to exist on January 15, 2016.

(b) Membership.

(1) The Public Retirement Plan Study Committee shall be composed of eight members as follows:

(A) the State Treasurer or designee;

(B) the Commissioner of Labor or designee;

(C) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(D) 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;

(E) 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;

(F) an individual with experience or expertise in the area of the financial needs of Vermont youth or young working adults, to be appointed by the Treasurer;

(G) a representative of employers, to be appointed by the Speaker; and

(H) a representative of employees who currently lack access to employer-sponsored retirement plans, to be appointed by the Committee on Committees.

(2) Unless another appointee is specified pursuant to the authority granted under subdivision (1) of this subsection, the members of the Public Retirement Plan Study Committee created in 2014 Acts and Resolves No. 179, Sec. C.108, as amended by 2015 Acts and Resolves No. 58, Sec. C.100, which ceased to exist on January 15, 2016, shall serve as the members of the Committee created pursuant to this section.

(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 where 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:

(A) continue monitoring U.S. Department of Labor guidance concerning State Savings Programs for Non-Governmental Employees regarding ERISA rules and other pertinent areas of analysis;

(B) further analyze the relationship between the role of states and the federal government; and

(C) continue its collaboration with educational institutions, other states, and national stakeholders.

(3) 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. On or before January 15, 2018, 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 as frequently as necessary to perform its work and shall cease to exist on January 15, 2018. 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.

* * * Vermont State Treasurer; ABLE Savings Program * * *

Sec. F.2. 33 V.S.A. § 8001 is amended to read:

§ 8001. PROGRAM ESTABLISHED

* * *

(c) The Treasurer or designee shall have the authority to implement the Program in cooperation with one or more states or other partners in the manner he or she determines is in the best interests of the State and designated beneficiaries.

(d) The Treasurer or designee shall have the authority to adopt rules, policies, and procedures necessary to implement the provisions of this chapter and comply with applicable federal law.

Sec. F.3. 2015 Acts and Resolves No. 51, Sec. C.8 is amended to read:

Sec. C.8. VERMONT ABLE TASK FORCE; REPORTS

~~The~~ Until the State Treasurer or designee implements the ABLE Savings Program pursuant to 33 V.S.A. chapter 80, the Treasurer shall convene a Vermont ABLE Task Force to include representatives of the Department of Disabilities, Aging~~.~~ and Independent Living, the Vermont Developmental Disabilities Council, Vermont Center for Independent Living; Green Mountain Self-Advocates, and other stakeholders with relevant expertise, to provide recommendations annually beginning on or before January 15, 2016 to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs on planning and delivery of the ABLE Savings Program, including:

(1) promotion and marketing of the Program;

(2) rules governing operation of ABLE accounts, including mechanisms for consumer convenience;

(3) fees charged to account owners;

(4) future enhancements to protect from the loss of State benefits as may be necessary to fulfill the intent of the ABLE Act;

(5) the composition and charge of an ABLE Advisory Board; and

(6) a progress update on implementation of the Program consistent with U.S. Treasury Department Rules, the Internal Revenue Code, and the federal ABLE Act (P.L. 113-295 of 2014).

* * * Vermont State Treasurer;
Private Activity Bond Advisory Committee * * *

Sec. F.4. PRIVATE ACTIVITY BOND ADVISORY COMMITTEE

Notwithstanding any provision of 32 V.S.A. § 994 to the contrary, the Private Activity Bond Advisory Committee shall not meet or perform its statutory duties except upon call of the Vermont State Treasurer in his or her discretion.

* * * Vermont State Treasurer;
Vermont Community Loan Fund * * *

Sec. F.5. REPEAL

2014 Acts and Resolves No. 179, Sec. E.131(a) (Treasurer authority to invest in Vermont Community Loan Fund) is repealed.

Sec. F.6. 10 V.S.A. § 9 is added to read:

§ 9. INVESTMENT IN VERMONT COMMUNITY LOAN FUND

(a) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the State Treasurer is authorized to invest up to $1,000,000.00 of short-term operating or restricted funds in the Vermont Community Loan Fund on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)–(c).

* * * Vermont State Treasurer; Treasurer's Local Investment
Advisory Committee * * *

Sec. F.7. REPEAL

2014 Acts and Resolves No. 199, Secs. 23–25 (Treasurer's Local Investment Advisory Committee, Report, and Sunset) are repealed.

Sec. F.8. REPEAL

2015 Acts and Resolves No. 51, Sec. E.3 (extending sunset of Local Investment Advisory Committee provisions) is repealed.

Sec. F.9. 10 V.S.A. §§ 10–11 are added to read:

§ 10. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any provision of 32 V.S.A. § 433(a) 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 and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433(b)–(c) and 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, and the renewal or replacement of those credit facilities.

§ 11. TREASURER'S LOCAL INVESTMENT ADVISORY COMMITTEE

(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, the Advisory Committee annually 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.

* * * Medicaid for Working People with Disabilities * * *

Sec. G.1. 33 V.S.A. § 1902 is amended to read:

§ 1902. QUALIFICATION FOR MEDICAL ASSISTANCE

(a) In determining whether a person is medically indigent, the Secretary of Human Services shall prescribe and use an income standard and requirements for eligibility which will permit the receipt of federal matching funds under Title XIX of the Social Security Act.

(b) Workers with disabilities whose income is less than 250 percent of the federal poverty level shall be eligible for Medicaid. The income also must not exceed the Medicaid protected income level for one or the Supplemental Security Income (SSI) payment level for two, whichever is higher, after disregarding all earnings of the working individual with disabilities, any Social Security disability insurance benefits, and any veteran's disability benefits. Earnings of the working individual with disabilities shall be documented by evidence of Federal Insurance Contributions Act tax payments, Self-Employment Contributions Act tax payments, or a written business plan approved and supported by a third-party investor or funding source. The resource limit for this program shall be ~~$5,000.00~~ $10,000.00 for an individual and ~~$6,000.00~~ $15,000.00 for a couple at the time of enrollment in the program. Assets attributable to earnings made after enrollment in the program shall be disregarded.

* * * Vermont Employment Growth Incentive * * *

Sec. H.1. 32 V.S.A. chapter 105 is added to read:

CHAPTER 105. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM

Subchapter 1. Vermont Economic Progress Council

§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL

(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:

(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and

(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title.

(b) Membership.

(1) The Council shall have 11 voting members:

(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;

(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and

(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.

(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.

(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her region.

(c) Terms.

(1) Members of the Council appointed by the Governor shall serve initial staggered terms with five members serving four-year terms, and four members serving two-year terms.

(2) After the initial term expires, a member's term is four years and a member may be reappointed.

(3) A term commences on April 1 of each odd-numbered year.

(d) Compensation.

(1) For attendance at a meeting and for other official duties, a member appointed by the Governor shall be entitled to compensation for services and reimbursement of expenses as provided in section 1010 of this title, except that a member who is a member of the General Assembly shall be entitled to compensation for services and reimbursement of expenses as provided in 2 V.S.A. § 406.

(2) A regional member who does not otherwise receive compensation and reimbursement of expenses from his or her regional development or planning organization shall be entitled to compensation and reimbursement of expenses for attendance at meetings and for other official duties as provided in section 1010 of this title.

(e) Operation.

(1) The Governor shall appoint a chair from the Council's members.

(2) The Council shall receive administrative support from the Agency of Commerce and Community Development and the Department of Taxes.

(3) The Council shall have:

(A) an executive director appointed by the Governor with the advice and consent of the Senate who is knowledgeable in subject areas of the Council's jurisdiction and who is an exempt State employee; and

(B) administrative staff.

(f) Rulemaking authority. The Council shall have the authority to adopt policies and procedures as necessary, and to adopt rules under 3 V.S.A. chapter 25, to implement the provisions of this chapter.

(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.

§ 3326. COST-BENEFIT MODEL

(a) The Council shall adopt and maintain a cost-benefit model for assessing and measuring the projected net fiscal cost and benefit to the State of proposed economic development activities.

(b) The Council shall not modify the cost-benefit model without the prior approval of the Joint Fiscal Committee.

Subchapter 2. Vermont Employment Growth Incentive Program

§ 3330. PURPOSE; FORM OF INCENTIVES; ENHANCED INCENTIVES ELIGIBLE APPLICANT

(a) Purpose. The purpose of the Vermont Employment Growth Incentive Program is to encourage a business to add incremental and qualifying payroll, jobs, and capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments, thereby generating net new revenues to the State.

(b) Form of incentives; enhanced incentives.

(1) The Vermont Economic Progress Council may approve an incentive under this subchapter in the form of a direct cash payment in annual installments.

(2) The Council may approve the following enhanced incentives:

(A) an enhanced incentive for a business in a labor market area with higher than average unemployment or lower than average wages pursuant to section 3334 of this title;

(B) an enhanced incentive for an environmental technology business pursuant to section 3335 of this title; and

(C) an enhanced incentive for a business that participates in a State workforce training program pursuant to section 3336 of this title.

(c) Eligible applicant. Only a business may apply for an incentive pursuant to this subchapter.

§ 3331. DEFINITIONS

As used in this subchapter:

(1) "Award period" means the consecutive five years during which a business may apply for an incentive under this subchapter.

(2) "Base employment" means the number of full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(3) "Base payroll" means the Vermont gross salaries and wages paid as compensation to full-time Vermont jobs held by non-owner employees as of the date a business with an approved application commences its proposed economic activity.

(4) "Capital investment performance requirement" means the minimum value of additional investment in one or more capital improvements.

(5) "Jobs performance requirement" means the minimum number of qualifying jobs a business must add.

(6) "Labor market area" means a labor market area as designated by the Vermont Department of Labor.

(7) "Non-owner" means a person with no more than 10 percent ownership interest, including attribution of ownership interests of the person's spouse, parents, spouse's parents, siblings, and children.

(8) "Payroll performance requirement" means the minimum value of Vermont gross salaries and wages a business must pay as compensation for one or more qualifying jobs.

(9) "Qualifying job" means a new, permanent position in Vermont that meets each of the following criteria:

(A) The position is filled by a non-owner employee who regularly works at least 35 hours each week.

(B) The business provides compensation for the position that equals or exceeds the wage threshold.

(C) The business provides for the position at least three of the following:

(i) health care benefits with 50 percent or more of the premium paid by the business;

(ii) dental assistance;

(iii) paid vacation;

(iv) paid holidays;

(v) child care;

(vi) other extraordinary employee benefits;

(vii) retirement benefits;

(viii) other paid time off, including paid sick days.

(D) The position is not an existing position that the business transfers from another facility within the State.

(E) When the position is added to base employment, the business's total employment exceeds its average annual employment during the two preceding years, unless the Council determines that the business is establishing

a significantly different, new line of business and creating new jobs in the new line of business that were not part of the business prior to filing its application.

(10) "Utilization period" means each year of the award period and the four years immediately following each year of the award period.

(11) "Vermont gross wages and salaries" means Medicare wages as reported on Federal Tax Form W-2 to the extent those wages are Vermont wages, excluding income from nonstatutory stock options.

(12) "Wage threshold" means the minimum amount of annualized Vermont gross wages and salaries a business must pay for a qualifying job, as required by the Council in its discretion, but not less than:

(A) 60 percent above the State minimum wage at the time of application; or

(B) for a business located in a labor market area in which the average annual unemployment rate is higher than the average annual unemployment rate for the State, 40 percent above the State minimum wage at the time of application.

§ 3332. APPLICATION; APPROVAL CRITERIA

(a) Application.

(1) A business may apply for an incentive in one or more years of an award period by submitting an application to the Council in the format the Council specifies for that purpose.

(2) For each award year the business applies for an incentive, the business shall:

(A) specify a payroll performance requirement;

(B) specify a jobs performance requirement or a capital investment performance requirement, or both; and

(C) provide any other information the Council requires to evaluate the application under this subchapter.

(b) Mandatory criteria. The Council shall not approve an application unless it finds:

(1) Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title, the new revenue the proposed activity generates to the State exceeds the costs of the activity to the State.

(2) The host municipality welcomes the new business.

(3) The proposed economic activity conforms to applicable town and regional plans.

(4) If the business proposes to expand within a limited local market, an incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business and in the same limited local market.

(5) But for the incentive, the proposed economic activity:

(A) would not occur; or

(B) would occur in a significantly different manner that is significantly less desirable to the State.

§ 3333. CALCULATING THE VALUE OF AN INCENTIVE

Except as otherwise provided for an enhanced incentive for a business in a qualifying labor market area under section 3334 of this title, an enhanced incentive for an environmental technology business under section 3335 of this title, or an enhanced incentive for workforce training under section 3336 of this title, the Council shall calculate the value of an incentive for an award year as follows:

(1) Calculate new revenue growth. To calculate new revenue growth, the Council shall use the cost-benefit model created pursuant to section 3326 of this title to determine the amount by which the new revenue generated by the proposed economic activity to the State exceeds the costs of the activity to the State.

(2) Calculate the business's potential share of new revenue growth. Except as otherwise provided for an environmental technology business in section 3335 of this title, to calculate the business's potential share of new revenue growth, the Council shall multiply the new revenue growth determined under subdivision (1) of this subsection by 80 percent.

(3) Calculate the incentive percentage. To calculate the incentive percentage, the Council shall divide the business's potential share of new revenue growth by the sum of the business's annual payroll performance requirements.

(4) Calculate qualifying payroll. To calculate qualifying payroll, the Council shall subtract from the payroll performance requirement the projected value of background growth in payroll for the proposed economic activity.

(5) Calculate the value of the incentive. To calculate the value of the incentive, the Council shall multiply qualifying payroll by the incentive percentage.

(6) Calculate the amount of the annual installment payments. To calculate the amount of the annual installment payments, the Council shall:

(A) divide the value of the incentive by five; and

(B) adjust the value of the first installment payment so that it is proportional to the actual number of days that new qualifying employees are employed in the first year of hire.

§ 3334. ENHANCED INCENTIVE FOR A BUSINESS IN A QUALIFYING LABOR MARKET AREA

(a) The Council may increase the value of an incentive for a business that is located in a labor market area in which:

(1) the average annual unemployment rate is greater than the average annual unemployment rate for the State; or

(2) the average annual wage is less than the average annual wage for the State.

(b) In each calendar year, the amount by which the Council may increase the value of all incentives pursuant to this section is:

(1) $1,500,000.00 for one or more initial approvals; and

(2) $1,000,000.00 for one or more final approvals.

(c) The Council may increase the cap imposed in subdivision (b)(2) of this section by not more than $500,000.00 upon application to, and approval of, the Emergency Board.

(d) In evaluating the Council's request, the Board shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(e) The Council shall provide the Board with testimony, documentation, company-specific data, and any other information the Board requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.

§ 3335. ENHANCED INCENTIVE FOR ENVIRONMENTAL TECHNOLOGY BUSINESS

(a) As used in this section, an "environmental technology business" means a business that:

(1) is subject to income taxation in Vermont; and

(2) seeks an incentive for economic activity in Vermont that the Secretary of Commerce and Community Development certifies is primarily

research, design, engineering, development, or manufacturing related to one or more of the following:

(A) waste management, including waste collection, treatment, disposal, reduction, recycling, and remediation;

(B) natural resource protection and management, including water and wastewater purification and treatment, air pollution control and prevention or remediation, soil and groundwater protection or remediation, and hazardous waste control or remediation;

(C) energy efficiency or conservation;

(D) clean energy, including solar, wind, wave, hydro, geothermal, hydrogen, fuel cells, waste-to-energy, or biomass.

(b) The Council shall consider and administer an application from an environmental technology business pursuant to the provisions of this subchapter, except that:

(1) the business's potential share of new revenue growth shall be 90 percent; and

(2) to calculate qualifying payroll, the Council shall:

(A) determine the background growth rate in payroll for the applicable business sector in the award year;

(B) multiply the business's full-time payroll for the award year by 20 percent of the background growth rate; and

(C) subtract the product from the payroll performance requirement for the award year.

§ 3336. ENHANCED INCENTIVE FOR WORKFORCE TRAINING

(a) A business whose application is approved may elect to claim the incentive specified for an award year as an enhanced training incentive by:

(1) notifying the Council of its intent to pursue an enhanced training incentive and dedicate its incentive funds to training through the Vermont Training Program; and

(2) applying for a grant from the Vermont Training Program to perform training for one or more new employees who hold qualifying jobs.

(b) If a business is awarded a grant for training under this section, the Agency of Commerce and Community Development shall disburse grant funds for on-the-job training of 75 percent of wages for each employee in training or 75 percent of trainer expense, and the business shall be responsible for the remaining 25 percent of the applicable training costs.

(c) A business that successfully completes its training shall submit a written certificate of completion to the Agency of Commerce and Community Development which shall notify the Department of Taxes.

(d) Upon notification by the Agency, and if the Department determines that the business has earned the incentive for the award year, it shall:

(1) disburse to the business a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section;

(2) disburse to the Agency of Commerce and Community Development a payment in an amount equal to 25 percent of the cost for training expenses pursuant to subsection (b) of this section; and

(3) disburse the remaining value of the incentive in annual installments pursuant to section 3337 of this title.

§ 3337. EARNING AN INCENTIVE

(a) Earning an incentive; installment payments.

(1) A business with an approved application earns the incentive specified for an award year if, within the applicable time period provided in this section, the business:

(A) maintains or exceeds its base payroll and base employment;

(B) meets or exceeds the payroll performance requirement specified for the award year; and

(C) meets or exceeds the jobs performance requirement specified for the award year, or the capital investment performance requirement specified for the award year, or both.

(2) A business that earns an incentive specified for an award year is eligible to receive an installment payment for the year in which it earns the incentive and for each of the next four years in which the business:

(A) maintains or exceeds its base payroll and base employment;

(B) maintains or exceeds the payroll performance requirement specified for the award year; and

(C) if the business earns an incentive by meeting or exceeding the jobs performance target specified for the award year, maintains or exceeds the jobs performance requirement specified for the award year.

(b) Award year one.

(1) For award year one, a business has from the date it commences its proposed economic activity through December 31 of that year, plus two

additional years, to meet the performance requirements specified for award year one.

(2) A business that does not meet the performance requirements specified for award year one within this period becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.

(c) Award years two and three.

(1) For award year two and award year three, beginning on January 1 of the award year, a business has three years to meet the performance requirements specified for the award year.

(2) A business that does not meet the performance requirements specified for award year two or for award year three within three years becomes ineligible to earn incentives for the award year and for all remaining award years in the award period.

(d) Extending the earning period in award years one and two. Notwithstanding subsection (b) of this section:

(1) Upon request, the Council may extend the period to earn an incentive for award year one or award year two if it determines:

(A) a business did not earn the incentive for the award year due to facts or circumstances beyond its control; and

(B) there is a reasonable likelihood the business will earn the incentive within the extended period.

(2) The Council may extend the period to earn an incentive:

(A) for award year one, by two years, reviewed annually; or

(B) for award year two, by one year.

(3) If the Council extends the period to earn an incentive, it shall recalculate the value of the incentive using the cost-benefit model and shall adjust the amount of the incentive as is necessary to account for the extension.

(e) Award year four.

(1) Beginning on January 1 of award year four, a business that remains eligible to earn incentives has two years to meet the performance requirements specified for award year four.

(2) A business that does not meet the performance requirements specified for award year four within two years becomes ineligible to earn incentives for award year four and award year five.

(f) Award year five.

(1) Beginning on January 1 of award year five, a business that remains eligible to earn incentives has one year to meet the performance requirements specified for award year five.

(2) A business that does not meet the performance requirements specified for award year five by the end of that award year becomes ineligible to earn the incentive specified for that award year.

(g) Carrying forward growth that exceeds targets. If a business exceeds one or more of the payroll performance requirement, the jobs performance requirement, or the capital investment performance requirement specified for an award year, the business may apply the excess payroll, excess jobs, and excess capital investment toward the performance requirement specified for a future award year, provided that the business maintains the excess payroll, excess jobs, or excess capital investment into the future award year.

§ 3338. CLAIMING AN INCENTIVE; ANNUAL FILING WITH DEPARTMENT OF TAXES

(a) On or before April 30 following each year of the utilization period, a business with an approved application shall submit an incentive claim to the Department of Taxes.

(b) A business shall include the information the Department requires, including the information required in section 5842 of this title and other documentation concerning payroll, jobs, and capital investment necessary to determine whether the business earned the incentive specified for an award year and any installment payment for which the business is eligible.

(c) The Department may consider an incomplete claim to be timely filed if the business files a complete claim within the additional time allowed by the Department in its discretion.

(d) Upon finalizing its review of a complete claim, the Department shall:

(1) notify the business and the Council whether the business is entitled to an installment payment for the applicable year; and

(2) make an installment payment to which the business is entitled.

(e) The Department shall not pay interest on any amounts it holds or pays for an incentive or installment payment pursuant to this subchapter.

§ 3339. RECAPTURE; REDUCTION; REPAYMENT

(a) Recapture.

(1) The Department of Taxes may recapture the value of one or more installment payments a business has claimed, with interest, if:

(A) the business fails to file a claim as required in section 3338 of this title; or

(B) during the utilization period, the business experiences:

(i) a 90 percent or greater reduction from base employment; or

(ii) if it had no jobs at the time of application, a 90 percent or greater reduction from the sum of its job performance requirements.

(2) If the Department determines that a business is subject to recapture under subdivision (1) of this subsection, the business becomes ineligible to earn or claim an additional incentive or installment payment for the remainder of the utilization period.

(3) Notwithstanding any other statute of limitations, the Department may commence a proceeding to recapture amounts under subdivision (1) of this subsection as follows:

(A) under subdivision (1)(A) of this subsection, no later than three years from the last day of the utilization period; and

(B) under subdivision (1)(B) of this subsection, no later than three years from date the business experiences the reduction from base employment, or three years from the last day of the utilization period, whichever occurs first.

(b) Reduction; recapture. If a business fails to make capital investments that equal or exceed the sum of its capital investment performance requirements by the end of the award period:

(1) The Department shall:

(A) calculate a reduced incentive by multiplying the combined value of the business's award period incentives by the same proportion that the business's total actual capital investments bear to the sum of its capital investment performance requirements; and

(B) reduce the value of any remaining installment payments for which the business is eligible by the same proportion.

(2) If the value of the installment payments the business has already received exceeds the value of the reduced incentive, then:

(A) the business becomes ineligible to claim any additional installment payments for the award period; and

(B) the Department shall recapture the amount by which the value of the installment payments the business has already received exceeds the value of the reduced incentive.

(c) Tax liability.

(1) A person who has the duty and authority to remit taxes under this title shall be personally liable for an installment payment that is subject to recapture under this section.

(2) For purposes of this section, the Department of Taxes may use any enforcement or collection action available for taxes owed pursuant to chapter 151 of this title.

§ 3340. REPORTING

(a) On or before September 1 of each year, the Vermont Economic Progress Council and the Department of Taxes shall submit a joint report on the incentives authorized in this subchapter to the House Committees on Ways and Means, on Commerce and Economic Development, and on Appropriations, to the Senate Committees on Finance, on Economic Development, Housing and General Affairs, and on Appropriations, and to the Joint Fiscal Committee.

(b) The Council and the Department shall include in the joint report:

(1) the total amount of incentives authorized during the preceding year;

(2) with respect to each business with an approved application:

(A) the date and amount of authorization;

(B) the calendar year or years in which the authorization is expected to be exercised;

(C) whether the authorization is active; and

(D) the date the authorization will expire; and

(3) the following aggregate information:

(A) the number of claims and incentive payments made in the current and prior claim years;

(B) the number of qualifying jobs; and

(C) the amount of new payroll and capital investment.

(c) The Council and the Department shall present data and information in the joint report in a searchable format.

(d) Notwithstanding any provision of law to the contrary, an incentive awarded pursuant to this subchapter shall be treated as a tax expenditure for purposes of chapter 5 of this title.

§ 3341. CONFIDENTIALITY OF PROPRIETARY BUSINESS INFORMATION

(a) The Vermont Economic Progress Council and the Department of Taxes shall use measures to protect proprietary financial information, including reporting information in an aggregate form.

(b) Information and materials submitted by a business concerning its income taxes and other confidential financial information 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 Joint Fiscal Committee or a standing committee of the General Assembly, and shall also be available to the Auditor of Accounts in connection with the performance of duties under section 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 information or any information that would identify a business except in accordance with a judicial order or as otherwise specifically provided by law.

(c) Nothing in this section 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.

§ 3342. ANNUAL PROGRAM CAP

(a) In each calendar year the Vermont Economic Progress Council may approve one or more incentives under this subchapter, the total value of which shall not exceed:

(1) $15,000,000.00 for one or more initial approvals; and

(2) $10,000,000.00 for one or more final approvals.

(b) The Council may increase the cap imposed in subdivision (a)(2) of this section by not more than $5,000,000.00 upon application to, and approval of, the Emergency Board.

(c) In evaluating the Council's request, the Board shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(d) The Council shall provide the Board with testimony, documentation, company-specific data, and any other information the Board requests to

demonstrate that increasing the cap will create an opportunity for return on investment to the State.

Sec. H.2. 10 V.S.A. § 531(d)(2) is amended to read:

(2) disburse grant funds only for training hours that have been successfully completed by employees; provided that, except for an award under an enhanced ~~training~~ incentive for workforce training as provided in ~~32 V.S.A. § 5930b(h)~~ 32 V.S.A. § 3336, 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

Sec. H.3. 21 V.S.A. § 1314(e)(1) is amended to read:

(e)(1) Subject to such restrictions as the Board may by regulation prescribe, information from unemployment insurance records may be made available to any public officer or public agency of this or any other state or the federal government dealing with the administration or regulation of relief, public assistance, unemployment compensation, a system of public employment offices, wages and hours of employment, workers' compensation, misclassification or miscoding of workers, occupational safety and health, or a public works program for purposes appropriate to the necessary operation of those offices or agencies. The Commissioner may also make information available to colleges, universities, and public agencies of the State for use in connection with research projects of a public service nature, and to the Vermont Economic Progress Council with regard to the administration of ~~32 V.S.A. chapter 151, subchapter 11E~~ 32 V.S.A. chapter 105, subchapter 2; but no person associated with those institutions or agencies may disclose that information in any manner that would reveal the identity of any individual or employing unit from or concerning whom the information was obtained by Commissioner.

* * *

Sec. H.4. 32 V.S.A. § 3102(e)(11) is amended to read:

(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under ~~section 5930a~~ chapter 105, subchapter 2 of this title and the ~~tax~~ incentive it has claimed and is reasonably necessary for the Joint Fiscal Office or its agent to perform the duties authorized by the Joint Fiscal Committee or a standing committee of the General Assembly under ~~subsection 5930a(h)~~ that subchapter; to the Auditor of Accounts for the performance of duties under section 163 of this title; to the

Department of Economic Development for the purposes of subsection 5922(f) of this title; and to the Vermont Economic Progress Council, provided that the disclosure relates to a successful business applicant under ~~sections 5930a and 5930b~~ chapter 105, subchapter 2 of this title and the ~~tax~~ incentive it has claimed and is reasonably necessary for the ~~council~~ Council to perform its duties under ~~sections 5930a and 5930b~~ that subchapter.

Sec. H.5. 32 V.S.A. § 5401(10) is amended to read:

(10) "Nonresidential property" means all property except:

* * *

(H) ~~Real property, excluding land, consisting of unoccupied new facilities, or unoccupied facilities under renovation or expansion, owned by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title that is less than 75 percent complete, not in use as of April 1 of the applicable tax year, and for a period not to exceed two years.~~ [Repealed.]

(I) ~~Real property consisting of the value of remediation expenditures incurred by a business that has obtained the approval of the Vermont Economic Progress Council under section 5930a of this title for the construction of new, expanded or renovated facilities on contaminated property eligible under the redevelopment of contaminated properties program pursuant to 10 V.S.A. § 6615a(f), including supporting infrastructure, on sites eligible for the United States Environmental Protection Agency "Brownfield Program," for a period of 10 years.~~ [Repealed.]

* * *

Sec. H.6. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

(a) Tax agreements and exemptions affecting the education property tax grand list. A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

(1) A prior agreement, meaning that it was:

(A) a tax stabilization agreement for any purpose authorized under 24 V.S.A. § 2741 or comparable municipal charter provisions entered into or proposed and voted by the municipality before July 1, 1997, or a property tax exemption adopted by vote pursuant to chapter 125 of this title or comparable municipal charter provisions before July 1, 1997; or

(B) an agreement relating to property sold or transferred by the New England Power Company of its Connecticut River system and its facilities along the Deerfield River which was warned before September 1, 1997.

(2) A tax stabilization agreement relating to industrial or commercial property entered into under 24 V.S.A. § 2741, or comparable municipal charter provisions ~~or an exemption for the purposes of economic development adopted by vote under sections 3834 (factories; quarries; mines), 3836 (private homes and dwellings), 3837 (airports), or 3838 (hotels) of this title or comparable municipal charter provisions after June 30, 1997 if subsequently approved by the Vermont Economic Progress Council pursuant to this subsection and section 5930a of this title. An agreement or exemption may be approved by the Vermont Economic Progress Council only if it has first been approved by the municipality in which the property is located with respect to the municipal tax liability of the property in that municipality. Any agreement or exemption approved by the Vermont Economic Progress Council may not affect the education tax liability of the property in a greater proportion than the agreement or exemption affects the municipal tax liability of the property. A municipality's approval of an agreement or exemption under this subsection may be made conditional upon approval of the agreement or exemption by the Vermont Economic Progress Council. The legislative body of the municipality in which the property subject to the agreement or exemption is located or the business that is subject to the agreement or exemption may request the Vermont Economic Progress Council to approve an agreement or exemption pursuant to section 5930a of this title. The Council shall also report to the General Assembly on the terms of the agreement or exemption, and the effect of the agreement or exemption on the education property tax grand list of the municipality and of the State. If so approved by the Council, an agreement or exemption shall be effective to reduce the property tax liability of the municipality under this chapter beginning April 1 of the year following approval~~.

(3) An agreement relating to affordable housing, which ~~may be submitted to the council for its approval under subdivision (2) of this subsection, or alternatively~~ may be approved under this subdivision by the Commissioner of Taxes upon recommendation of the Commissioner of Housing and Community Affairs provided the agreement provides either for new construction housing projects or rehabilitated preexisting housing projects and secures federal financial participation which may include projects financed with federal low income housing tax credits.

* * *

(b) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years~~, subject to the provisions of subsection 5930b(f) of this title~~. A municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonresidential rate for the tax year.

(c) Tax agreements not affecting the education property tax grand list. A tax agreement shall not affect the education property tax grand list if it is:

(1) A tax exemption adopted by vote of a municipality after July 1, 1997 under chapter 125 of this title, or voted under a comparable municipal charter provision or other provision of law for property owned by nonprofit organizations used for public, pious, or charitable purposes, ~~other than economic development exemptions voted under section 3834, 3836, 3837, or 3838 of this title and approved by the Vermont Economic Progress Council,~~ or exemptions of property of a nonprofit volunteer fire, rescue, or ambulance organization adopted by vote of a municipality.

(2) A tax stabilization agreement relating to agricultural property, ~~forest land~~ forestland, open space land, or alternate energy generating plants entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741.

(3) A tax stabilization agreement relating to commercial or industrial property entered into after July 1, 1997 by a municipality under 24 V.S.A. § 2741, or a property tax exemption for purposes of economic development adopted by vote after July 1, 1997~~, which has not been approved by the Vermont Economic Progress Council to affect the education grand list under subsection (a)(2) of this section and section 5930a of this title. In granting tax stabilization agreements for commercial or industrial property under 24 V.S.A. § 2741, a municipality shall consider any applicable guidelines established for the approval of such stabilization agreements by the Vermont Economic Progress Council established in subsection 5930a(c) of this title~~.

* * *

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

§ 5813. STATUTORY PURPOSES

* * *

(u) The statutory purpose of the ~~Vermont employment growth incentive~~ Vermont Employment Growth Incentive Program in ~~section 5930b~~ chapter 105, subchapter 2 of this title is to~~ provide a cash incentive to encourage quality job growth in Vermont~~ encourage a business to add incremental and qualifying payroll, jobs, and capital investments by sharing with the business a portion of the revenue generated by the new payroll, new jobs, and new capital investments, thereby generating net new revenues to the State.

* * *

Sec. H.8. 32 V.S.A. § 5930ll(a)(1) is amended to read:

(1) "Full-time job" ~~has the same meaning as defined in subdivision 5930b(a)(9) of this title~~ means a permanent position filled by an employee who works at least 35 hours per week.

Sec. H.9. 32 V.S.A. § 9741(39) is amended to read:

(39) Sales of building materials within any three consecutive years 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.

Sec. H.10. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM REVIEW

(a) On or before August 15, 2016, the Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Program Review Group.

(b)(1) For the purpose of addressing the technical issues specified in subdivisions (c)(1)–(6) of this section, the Group shall consist of the following members:

(A) the State legislative economist or a designee of the Joint Fiscal Committee;

(B) the State executive economist;

(C) a policy analyst from the Agency of Commerce and Community Development;

(D) an economic and labor market information chief from the Department of Labor;

(E) a fiscal analyst from the Department of Taxes; and

(F) the Executive Director of the Vermont Economic Progress Council.

(2) For the purpose of addressing the issues in subdivisions (c)(7)–(10) of this section, the Group shall consist of all the members specified in subdivision (1) of this subsection and the following additional members:

(A) a representative of the Vermont Regional Development Corporations appointed by the Secretary of Commerce and Community Development;

(B) a representative of the business community designated by the Governor; and

(C) a member of the public designated jointly by the Speaker of the House and the Senate Committee on Committees.

(c) The Group shall review the following questions relating to the Vermont Employment Growth Incentive Program:

(1) whether the cost-benefit model is the most current and appropriate tool for evaluating fiscal impacts of the Program and whether it is effectively utilized;

(2) whether the inputs to the cost-benefit model should be adjusted for those applicants who assert that but for the incentive the scale or timing of the project would change;

(3) whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and, if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely;

(4) whether differential rates in annual average wages or annual average unemployment, defined by labor market area, are appropriate triggers for an incentive enhancement for projects located in, or lower wage threshold for jobs created in, qualifying labor market areas, and whether the margins of error in annual labor market area wage and unemployment rates are within an acceptable range of tolerance for this use;

(5) whether the enhanced incentives available under the program are appropriate and necessary, including:

(A) an analysis of the growth in the environmental technology sector in Vermont as defined in the enhanced incentive for environmental technology business and whether growth in this sector obviates the need for the current enhancement;

(B) whether the State should forego additional net fiscal benefit under the enhancements and whether the policy objectives of the enhancements are met;

(6) whether and how to include a mechanism in the Program for equity investments in incentive recipients or to recoup incentive payments in the event an incentive recipient is sold;

(7) how to most effectively ensure, through the application and award process, that recipients of VEGI incentives are in compliance with all federal and State water quality and air quality laws and regulations;

(8) the size, industry, and profile of the businesses that historically have experienced, and are forecasted to experience, the most growth in Vermont, and whether the Program can be more targeted to these businesses;

(9) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses; and

(10) whether additional applicant and program data reporting and transparency could be accomplished without damage to applicant businesses.

(d) On or before January 15, 2018, the Group shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Sec. H.11. EXTENSION OF CURRENT VEGI STATUTE; TRANSITION

Sec. 3(c) of No. 184 of the Acts of the 2005 Adj. Sess. (2006), as amended by Sec. 2 of No. 52 of the Acts of 2011, and as further amended by 2012 Acts and Resolves No. 143, Sec. 20, is amended to read:

(c) Beginning April 1, 2009, the economic incentive review board is authorized to grant payroll-based growth incentives pursuant to the Vermont employment growth incentive program established by Sec. 9 of this act. Unless extended by act of the General Assembly, as of ~~July 1, 2017~~ January 1, 2018, no new Vermont employment growth incentive (VEGI) awards under 32 V.S.A. § 5930b may be made. Any VEGI awards granted prior to ~~July 1, 2017~~ January 1, 2018 may remain in effect until used and shall be governed by the provisions of 32 V.S.A chapter 105.

Sec. H.12. PROSPECTIVE REPEAL OF CURRENT VEGI STATUTE

32 V.S.A. §§ 5930a and 5930b are repealed.

* * * Blockchain Technology * * *

Sec. I.1. 12 V.S.A. § 1913 is added to read:

§ 1913. BLOCKCHAIN ENABLING

(a) In this section, "blockchain technology" means a mathematically secured, chronological, and decentralized consensus ledger or database, whether maintained via Internet interaction, peer-to-peer network, or otherwise.

(b) Presumptions and admissibility.

(1) Extrinsic evidence of authenticity as a condition precedent to admissibility in a Vermont court is not required for a record maintained by a valid application of blockchain technology.

(2) The following presumptions apply:

(A) A fact or record verified through a valid application of blockchain technology is authentic.

(B) The date and time of the recordation of the fact or record established through such a blockchain is the date and time that the fact or record was added to the blockchain.

(C) The person established through such a blockchain as the person who made such recordation is the person who made the recordation.

(3) A presumption does not extend to the truthfulness, validity, or legal status of the contents of the fact or record.

(4) A person against whom the fact operates has the burden of producing evidence sufficient to support a finding that the presumed fact, record, time, or identity is not authentic as set forth on the date added to the blockchain, but the presumption does not shift to a person the burden of persuading the trier of fact that the underlying fact or record is itself accuate in what it purports to represent.

(c) Without limitation, the presumption established in this section shall apply to a fact or record maintained by blockchain technology to determine:

(1) contractual parties, provisions, execution, effective dates, and status;

(2) the ownership, assignment, negotiation, and transfer of money, property, contracts, instruments, and other legal rights and duties;

(3) identity, participation, and status in the formation, management, record keeping, and governance of any person;

(4) identity, participation, and status for interactions in private transactions and with a government or governmental subdivision, agency, or instrumentality;

(5) the authenticity or integrity of a record, whether publicly or privately relevant; and

(6) the authenticity or integrity of records of communication.

(d) The provisions of this section shall not create or negate:

(1) an obligation or duty for any person to adopt or otherwise implement blockchain technology for any purpose authorized in this section; or

(2) the legality or authorization for any particular underlying activity whose practices or data are verified through the application of blockchain technology.

* * * Regulation of Lodging Accommodations * * *

Sec. J.1. STUDY; INTERNET-BASED LODGING

On or before January 15, 2017, the Department of Taxes, the Department of Health, the Department of Tourism and Marketing, the Department of Financial Regulation, and the Division of Fire Safety within the Department of Public Safety, engaging interested stakeholders as necessary, shall:

(1) review the provisions of law within their subject matter jurisdiction, and enforcement of those provisions if any, applicable to Internet-based lodging accommodations businesses; and

(2) report its findings, conclusions, and any recommendations for administrative action or legislative action, or both, 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.

* * * State Workforce Development Board * * *

Sec. K.1. 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~~ Development Board:

* * *

§ 541a. STATE WORKFORCE ~~INVESTMENT~~ DEVELOPMENT BOARD

(a) Board established; duties. Pursuant to the requirements of 29 U.S.C. § ~~2821~~ 3111, the Governor shall establish a State Workforce ~~Investment~~ Development Board to assist the Governor in the execution of his or her duties under the Workforce ~~Investment~~ Innovation and Opportunity Act of ~~1998~~ 2014 and to assist the Commissioner of Labor as specified in section 540 of this titl

(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:

* * *

(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~~ Innovation and Opportunity Act of ~~1998~~ 2014, 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 in conformance with the federal Workforce Innovation and Opportunity Act and who serve at his or her pleasure, unless otherwise indicated:

(1) the Commissioner of Labor;

(2) two members of the Vermont House of Representatives appointed by the Speaker of the House;

~~(2)~~(3) two members of the Vermont Senate appointed by the Senate Committee on Committees;

~~(3)~~(4) the President of the University of Vermont ~~or designee~~;

~~(4)~~(5) the Chancellor of the Vermont State Colleges ~~or designee~~;

~~(5)~~(6) the President of the Vermont Student Assistance Corporation ~~or designee~~;

~~(6)~~(7) 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 a State labor ~~federations~~ federation;

(11) two representatives of individuals and organizations who have experience with respect to youth activities, as defined in 29 U.S.C. § ~~2801(52)~~ 3102(71);

(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)~~ 3102(68);

(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)~~ 3151(b), or if no official has that responsibility, ~~a representative~~ representatives in the State with ~~expertise~~ responsibility relating to these programs and activities;

(14) the Commissioner of Economic Development;

(15) ~~the Commissioner of Labor~~ the Secretary of Commerce and Community Development;

(16) the Secretary of Human Services ~~or designee~~;

(17) the Secretary of Education;

(18) two individuals who have experience in, and can speak for, the training needs of underemployed and unemployed Vermonters; and

~~(18)~~(19) 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~~ in-demand sectors and employment opportunities ~~of~~ in 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) A member of the State Board may send a designee that meets the requirements of subdivision (B) of this subdivision (1) to any State Board

meeting who shall count towards a quorum and shall be allowed to vote on behalf of the Board member for whom he or she serves as a designee.

(B) Members of the State Board or their designees who represent organizations, agencies, or other entities shall be individuals with optimum policymaking authority within the organizations, agencies, or entities.

~~(B)~~(C) The members of the Board shall represent diverse regions of the State, including urban, rural, and suburban areas.

* * *

(6) Reimbursement.

* * *

(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~~ through funds available for that purpose under the Workforce ~~Investment~~ Innovation and Opportunity Act of ~~1998~~ 2014.

(7) Conflict of interest. A member of the Board shall not:

* * *

(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~~ 3112 or 3113.

(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~~ 3112 or 3113 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 State Workforce ~~Investment~~ Development 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 EDUCATION AND TRAINING

(a) The Commissioner of Labor, in coordination with the Secretary of Commerce and Community Development, and in consultation with the State Workforce ~~Investment~~ Development Board, is authorized to issue performance grants to one or more persons to perform workforce education and training activities in a region.

* * *

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

* * *

(f) Awards. The Commissioner of Labor, in consultation with the Chair of the State Workforce ~~Investment~~ Development Board, shall develop award criteria and may grant awards to the following:

* * *

§ 544. VERMONT STRONG INTERNSHIP PROGRAM

* * *

(b) The Department of Labor, in collaboration with the Agencies of Agriculture, Food and Markets and of Education, State-funded postsecondary educational institutions, the State Workforce ~~Investment~~ Development Board, and other State agencies and departments that have workforce education and training and training monies, shall:

* * *

Sec. K.2. 10 V.S.A. § 531(a)(1) is amended to read:

(a)(1) The Secretary of Commerce and Community Development, in consultation with the State Workforce ~~Investment~~ Development 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 employers and to education and training providers to increase employment opportunities in Vermont consistent with this chapter.

Sec. K.3. 16 V.S.A. § 1542(b) is amended to read:

(b) A regional advisory board, with the consent of the State Workforce ~~Investment~~ Development Board, may delegate its responsibilities to the grantee that performs workforce development activities in the region pursuant to 10 V.S.A. § 542. In this case, the grantee shall become the regional advisory board unless and until the school board that operates the career technical center requests that the regional advisory board be reconstituted pursuant to subsection (a) of this section.

* * * Vermont Creative Network * * *

Sec. L.1. VERMONT CREATIVE NETWORK

(a) Creation. The Vermont Arts Council, an independent nonprofit corporation, in collaboration with statewide partners, shall perform the duties specified in this section and establish the Vermont Creative Network, which shall be:

(1) a communications, advocacy, and capacity-building entity that strengthens Vermont's creative sector, utilizes it to enhance Vermonters' quality of life, increases the State's economic vitality; and

(2) based on a collective impact model and shall use Results Based Accountability as a planning and assessment tool.

(b) Outcomes and Indicators.

(1) The outcomes of the Vermont Creative Network are as follows:

(A) The Vermont creative sector enhances Vermonters' quality of life and has a positive economic impact on the State.

(B) Participants in Vermont's creative sector thrive as significant contributors to the State's general and economic well-being.

(C) Participants in Vermont's creative sector effectively share their talents with a broad range of Vermonters and visitors throughout the State.

(D) The creative sector focuses its collective energy on planning and development to advance the creative sector and its contributions to Vermonters' quality of life and the State's economic well-being.

(E) Participants in Vermont's creative sector collaborate to identify, advocate on behalf of, and promote common interests.

(2) Indicators to measure the success of these outcomes include the following:

(A) advancement of quality of life measures;

(B) improvements in planning and development;

(C) increases in workforce development;

(D) increases in economic activity;

(E) inclusion of creativity and innovation in the Vermont brand;

(F) increases in access and equity;

(G) increases in sustainability; and

(H) cross-pollination with other sectors.

(c) Duties. With oversight and support from the Vermont Arts Council, the Vermont Creative Network shall perform the following duties:

(1) On or before June 30, 2017, the Vermont Creative Network shall create, and may update and revise as necessary, a strategic plan that:

(A) identifies and addresses the needs of the creative sector and gaps in the creative sector's infrastructure;

(B) includes a plan to inventory Vermont's creative sector and creative industries based on existing data, studies, and analysis, including:

(i) existing assets, infrastructure, and resources;

(ii) the potential for new creators to enter the local economy, the methods to secure appropriate space and other infrastructure, and the opportunities and barriers to creative labor;

(iii) the types of creative products, services, and industries available in Vermont, and the financial viability of each; and

(iv) the current and potential markets in which Vermont creators can promote, distribute, and sell their products and services.

(2) The Vermont Creative Network shall support regional creativity zones.

(3) The Vermont Creative Network shall identify methods and opportunities to strengthen the links within the sector, including:

(A) advocacy for the use of local arts and cultural resources by Vermont schools, businesses, and institutions;

(B) support for initiatives that improve direct marketing of arts, culture, and creativity to consumers; and

(C) identifying creative financing opportunities for the creative sector.

(d) Authority. To accomplish the goals and perform the duties in this section, the Vermont Creative Network may:

(1) create a Network steering team;

(2) hire or assign staff;

(3) seek and accept funds from private and public entities; and

(4) utilize technical assistance, loans, grants, or other means approved by the Network steering team.

(e) Report.

(1) On or before January 15, 2017, the Vermont Arts Council shall submit a report concerning the activities of the Vermont Creative Network to the Governor and to the General Assembly.

(2) The report shall include a summary of work, including progress toward meeting the program outcomes, information regarding any meetings of the Network steering team, an accounting of all revenues and expenses related to the Network, and recommendations regarding future Network activity.

Sec. L.2. APPROPRIATION

In Fiscal Year 2017, the amount of $35,000.00 is appropriated from the General Fund to the Vermont Arts Council to perform the duties specified in this act.

Sec. L.3. IMPLEMENTATION

Notwithstanding any provision of this act to the contrary, if the General Assembly does not appropriate $35,000.00 or more in funding to the Vermont Arts Council to implement this act, the Council is encouraged, but is not required, to perform the duties specified in Sec. L.1 of this act.

Secs. M.1.–M.2. [Reserved.]

Secs. N.1–N.2. [Reserved.]

* * * Vermont Sustainable Jobs Fund * * *

Sec. O.1. 10 V.S.A. § 328 is amended to read:

§ 328. CREATION OF THE SUSTAINABLE JOBS FUND PROGRAM

(a) There is created a Sustainable Jobs Fund Program to create quality jobs that are compatible with Vermont's natural and social environment.

(b) The Vermont Economic Development Authority shall incorporate a nonprofit corporation pursuant to the provisions of subdivision 216(14) of this title to administer the Sustainable Jobs Fund Program, and to fulfill the

purposes of this chapter by means of loans or grants to eligible applicants for eligible activities, provided that any funds contributed to the Program by the Authority under subsection (c) of this section shall be used for lending purposes only.

(c)(1) Notwithstanding the provisions of subdivision 216(14) of this title, the Authority may contribute not more than $1,000,000.00 to the capital of the corporation formed under this section, and the Board of Directors of the corporation formed under this section shall consist of:

(A) the Secretary of Commerce and Community Development or his or her designee;

(B) the Secretary of Agriculture, Food and Markets or his or her designee;

(C) a director appointed by the Governor; and

(D) eight independent directors, no more than two of whom shall be State government employees or officials, and who shall be selected as vacancies occur by vote of the existing directors from a list of names offered by a nominating committee of the Board created for that purpose.

(2)(A) Each independent director shall serve a term of three years or until his or her earlier resignation.

(B) A director may be reappointed, but no independent director and no director appointed by the Governor shall serve for more than three terms.

(C) The director appointed by the Governor shall serve at the pleasure of the Governor and may be removed at any time with or without cause.

(3) A director of the Board who is or is appointed by a State government official or employee shall not be eligible to hold the position of Chair, Vice Chair, Secretary, or Treasurer of the Board.

(d) ~~The Vermont Economic Development Authority may hire or assign a program director to administer, manage, and direct the affairs and business of the Board, subject to the policies, control, and direction of the corporation formed under this section.~~ [Repealed.]

(e) The Agency of Commerce and Community Development shall have the authority and responsibility for the administration and implementation of the Program.

(f) The Vermont Sustainable Jobs Fund Program shall work collaboratively with the Agency of Agriculture, Food and Markets to assist the Vermont slaughterhouse industry in supporting its efforts at productivity and sustainability.

Sec. O.2. 2002 Acts and Resolves No. 142, Sec. 254(a) is amended to read:

(a) ~~All authority and responsibility for the administration and implementation of the sustainable jobs fund and the sustainable jobs program established by chapter 15A of Title 10 is transferred from the Vermont economic development authority to the agency of commerce and community development, secretary's office. The agency shall be the successor to all rights and obligations of the authority in any matter pertaining to the fund and the program on and after July 1, 2002.~~ [Repealed.]

Secs. P.1–P.2. [Reserved.]

* * * Tax Study * * *

Sec. Q.1. [Reserved.]

Sec. Q.2. VERMONT TAX STUDY

(a) The Joint Fiscal Office, with assistance from the Office of Legislative Council, and under the direction of the Joint Fiscal Committee, shall conduct a study of Vermont State taxes.

(b) The study shall:

(1) Analyze historical trends since 2005 in Vermont taxes as compared to other states, and compare the percentage of Vermont revenue from each State-level source to the percentage of revenue from each state-level source in other states.

(2) Analyze State tax burdens per capita, per income level, or by incidence on typical Vermont families of a variety of incomes, and on typical Vermont business enterprises of a variety of sizes and types, and analyze trends in the taxpayer revenue base.

(3) Analyze cross-border tax policies and competitiveness with neighboring states, including impacts on the pattern of retailing, the location of retail activity, and retail market share.

(4) Review the simplicity, equity, stability, predictability and performance of the Vermont's major State revenue sources.

(c) Based upon the data resulting from the study in subsection (b) of this section, the Joint Fiscal Office shall, as part of the study or separately, prepare a review of the future Vermont economic and demographic trends and implications for Vermont's tax structure as regards revenue, equity, and competitiveness.

(d) The Vermont Department of Taxes shall cooperate with and provide assistance as needed to the Joint Fiscal Office.

(e) The Joint Fiscal Office shall submit the study, including recommendations for further research or analysis, to the Joint Fiscal Committee on or before January 15, 2017.

* * * Financial Literacy Commission * * *

Sec. R.1. 9 V.S.A. § 6002(b)(7) is amended to read:

(7) ~~a representative~~ two representatives, each from a nonprofit entity that provides financial literacy and related services to persons with low income:

(A) one appointed by the Governor; and

(B) one appointed by the Office of Economic Opportunity from among candidates proposed by the Community Action Agencies;

* * *

* * * Vermont Enterprise Fund * * *

S.1. REPEAL

2014 Acts and Resolves No. 179, Sec. E.100.5 (Vermont Enterprise Fund) is repealed.

S.2. 10 V.S.A. § 12 is added to read:

§ 12. 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.

Sec. S.3. APPROPRIATION; VERMONT ENTERPRISE FUND

In fiscal year 2017 the amount of $85,000.00 is appropriated from the General Fund to the Vermont Enterprise Fund created in 10 V.S.A. § 12.

* * * Workforce Housing; Pilot Projects;
Down Payment Assistance Program * * *

Sec. T.1. PURPOSE

The purpose of Sec. T.2 of this act is to promote the creation of workforce housing:

(1) by creating two or more workforce housing pilot projects in targeted areas that benefit from funding for infrastructure improvements;

(2) by funding grants to municipalities so they can pursue designated downtown development districts, designated new town centers, designated growth centers, and designated neighborhood development areas, and by capitalizing on the existing regulatory benefits for these designated areas to promote the creation of new workforce housing; and

(3) by extending the First Time Homebuyer's Down Payment Assistance Program through the Vermont Housing Finance Agency to provide loans to more Vermont employees for down payment assistance and closing costs.

Sec. T.2. WORKFORCE HOUSING PILOT PROJECTS; INFRASTRUCTURE IMPROVEMENTS; APPROPRIATION

(a) Definition. As used in this act, "workforce housing pilot project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of owner-occupied housing or rental housing, or both, that meets each of the following:

(1) The project includes 12 or more independent dwelling units, which may be detached or connected.

(2) For a minimum of 25 percent of the total units in the project, the total annual cost of owner-occupied housing, including principal, interest, taxes, insurance, and condominium association fees, and the total annual cost of rental housing, including rent, utilities, and condominium association fees, will not exceed 30 percent of the gross annual income of a household at 80 percent of:

(A) the county median income, as defined by the U.S. Department of Housing and Urban Development; or

(B) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development.

(3) For a minimum of 50 percent of the total units in the project, the total annual cost of owner-occupied housing, including principal, interest, taxes, insurance, and condominium association fees, and the total annual cost of rental housing, including rent, utilities, and condominium association fees, will be between 30 percent of the gross annual income of a household at more than 80 percent, and 30 percent of the gross annual income of a household at 120 percent, of:

(A) the county median income, as defined by the U.S. Department of Housing and Urban Development; or

(B) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development.

(4) The project will:

(A) be located in a designated downtown development district, designated new town center, designated growth center, or designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B)(i) have a minimum residential density greater than or equal to four single-family detached dwelling units per acre, exclusive of accessory

dwelling units as defined in 24 V.S.A. § 4303, or no fewer than the average existing density of the surrounding neighborhood, whichever is greater; and

(ii) the area in which the project is located represents a logical extension of an existing compact settlement pattern and is consistent with smart growth principles as defined in 24 V.S.A. § 2791.

(b) Pilot projects.

(1) Of the amounts appropriated to the Agency of Human Services to replace legacy technologies pursuant to 2010 Acts and Resolves No. 156, Sec. D.106(c)(1), as amended by 2011 Acts and Resolves No. 63, Sec. C.100, the amount of $1,000,000.00 is hereby appropriated to the Vermont Housing and Conservation Board for the purpose of awarding grants to fund infrastructure improvements benefitting two or more workforce housing pilot projects pursuant to this section.

(2) The Board, in consultation with the Department of Housing and Community Development, shall create an application and approval process to select two or more workforce housing pilot projects to provide the funding for all or a portion of infrastructure improvements that benefit the project or projects.

(c) Eligibility.

(1) Not more than one project may be located in a municipality with a population of more than 10,000 full-time residents.

(2) Not more than one project may be located in a single county.

(3) Eligible infrastructure improvements shall include roads, sidewalks, bridges, culverts, water, wastewater, stormwater, and other utilities.

(4) To remain eligible for grant funds, the person developing a project shall complete the project within two years from the effective date of a grant agreement with the Board.

(5) The Board shall give preference to proposals in which some or all of the units required by subdivision (a)(2) of this section are subject to covenants or other restrictions that make them perpetually affordable.

(d) Rescission. Any amounts that remain uncommitted to a pilot project on July 1, 2018 shall revert to the General Fund.

(e) Reports.

(1) On or before December 15, 2016, the Vermont Housing and Conservation Board shall submit an initial report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and

General Affairs, on action it has taken pursuant to this act, the status of any workforce housing pilot projects, and any recommendations for additional administrative or legislative action.

(2) On or before December 15, 2016, the Agency of Commerce and Community Development shall report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on the following:

(A) A review of existing statutes and programs, such as property tax reallocation, that may serve as tools to update existing housing stock.

(B) Data from the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, and the Natural Resources Board with respect to priority housing projects.

(i) For each such project, these agencies shall provide in the report:

(I) Whether the project received an exemption under 10 V.S.A. chapter 151 (Act 250).

(II) The amount of the fee savings under Act 250.

(III) The amount of the fee savings under permit programs administered by the Agency of Natural Resources.

(IV) The cost under 10 V.S.A. § 6093 to mitigate primary agricultural soils and a comparison to what that cost of such mitigation would have been if the project had not qualified as a priority housing project.

(ii) Based on this data, the report shall summarize the benefits provided to priority housing projects.

(iii) In this subdivision (B), "primary agricultural soils" and "priority housing project" have the same meaning as in 10 V.S.A. § 6001.

(C) The results of a process led by the Executive Director of the Vermont Economic Progress Council to engage stakeholders, including representatives of the private lending industry; the private housing development industry; a municipality that has an Tax Increment Financing District; a municipality that has a designated downtown, growth center, or neighborhood development area; a municipality that has a priority housing project; the Department of Housing and Community Development; the Department of Economic Development; the Department of Taxes; and the Vermont Housing and Conservation Board, to investigate alternative municipal infrastructure financing to enable smaller communities to build the needed

infrastructure to support mixed-income housing projects in communities around the State.

(3) On or before December 15, 2018, the Vermont Housing and Conservation Board shall submit a final report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on action it has taken pursuant to this act, the status of any workforce housing pilot projects, and any recommendations for additional administrative or legislative action.

Sec. T.3. 10 V.S.A. § 303 is amended to read:

§ 303. DEFINITIONS

As used in this chapter:

(1) "Board" means the Vermont Housing and Conservation Board established by this chapter.

(2) "Fund" means the Vermont Housing and Conservation Trust Fund established by this chapter.

(3) "Eligible activity" means any activity which will carry out either or both of the dual purposes of creating affordable housing and conserving and protecting important Vermont lands, including activities which will encourage or assist:

(A) the preservation, rehabilitation, or development of residential dwelling units ~~which~~ that are affordable to:

(i) lower income Vermonters; or

(ii) for owner-occupied housing, Vermonters whose income is less than or equal to 120 percent of the median income based on statistics from State or federal sources;

* * *

Sec. T.4. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

* * *

(g)(1) In any fiscal year, the allocating agency may award up to:

(A) $400,000.00 in total first-year credit allocations to all applicants for rental housing projects, for ~~a total~~ an aggregate limit of $2,000,000.00 over any given five-year period that credits are available under this subdivision (A);

(B) $300,000.00 in total first-year credit allocations for owner-occupied unit financing or down payment loans consistent with the allocation plan, including for new construction and manufactured housing, for ~~a total~~ an aggregate limit of $1,500,000.00 over any given five-year period that credits are available under this subdivision (B).

(2) ~~In fiscal years 2016, 2017, and 2018, the allocating agency may award up to $125,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(2) of this section for a total aggregate limit of $375,000.00 over the five-year period that credits are available under this subdivision.~~

In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed $3,500,000.00.

(h) ~~The aggregate limit for all credit allocations available under this section in any fiscal year is $3,875,000.00.~~

(1) In fiscal year 2016 through fiscal year 2022, the allocating agency may award up to $125,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(2) of this section.

(2) In any fiscal year, total first-year credit allocations under subdivision (1) of this subsection plus succeeding-year deemed allocations shall not exceed $625,000.00.

Secs. U–Y. [Reserved.]

* * * Effective Dates * * *

Sec. Z.1. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Secs. A.1–A.7 (Vermont Economic Development Authority).

(2) Sec. B.1 (cooperatives; electronic voting).

(3) Sec. E.4 (technical correction to business registration statute).

(4) Sec. G.1 (Medicaid for working people with disabilities).

(5) Sec. Q.2 (tax study).

(b) The following sections shall take effect on July 1, 2016:

(1) Sec. D.1 (Vermont Training Program).

(2) Secs. F.1–F.9 (Vermont State Treasurer).

(3) Secs. H.10–H.11 (VEGI Working Group review; extension of sunset).

(4) Sec. I.1 (blockchain technology).

(5) Sec. J.1 (Internet-based lodging accommodations study).

(6) Secs. K.1–K.3 (State Workforce Development Board).

(7) Secs. L.1–L.3 (Vermont Creative Network).

(8) Secs. O.1–O.2 (Vermont Sustainable Jobs Fund).

(9) Secs. S.1–S.3 (Vermont Enterprise Fund; appropriation).

(10) Secs. T.1–T.4 (workforce housing; down payment assistance).

(c) The following sections shall take effect on July 1, 2017:

(1) Secs. C.1–C.2 (regional planning and development).

(2) Secs. E.1–E.2 (conversion, merger, share exchange, and domestication of a corporation).

(d)(1) Notwithstanding 1 V.S.A. § 214, Sec. E.3 (technical corrections to LLC Act) shall take effect retroactively as of July 1, 2015, and apply only to:

(A) a limited liability company formed on or after July 1, 2015; and

(B) except as otherwise provided in subdivision (4) of this subsection, a limited liability company formed before July 1, 2015 that elects, in the manner provided in its operating agreement or by law for amending the operating agreement, to be subject to this act.

(2) Sec. E.3 does not affect an action commenced, a proceeding brought, or a right accrued before July 1, 2015.

(3) Except as otherwise provided in subdivision (4) of this subsection, Sec. E.3 shall apply to all limited liability companies on and after July 1, 2016.

(4) For the purposes of applying Sec. E.3 to a limited liability company formed before July 1, 2015, for the purposes of applying 11 V.S.A. § 4023 and subject to 11 V.S.A. § 4003, language in the company's articles of organization designating the company's management structure operates as if that language were in the operating agreement.

(e) Sec. R.1 (Financial Literacy Commission) shall take effect on July 2, 2016.

(f) Secs. H.1–H.9 (Vermont Employment Incentive Growth Program) and Sec. H.12 (prospective repeal of current VEGI statute) shall take effect on January 1, 2018.

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

Senator Sirotkin, 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 Economic Development Housing and General Affairs with the following amendment thereto:

First: By striking out Sec. A.1 (adding one legislative member to VEDA) in its entirety and inserting in lieu thereof: Sec. A.1. [Reserved.]

Second: By striking out Sec. A.5 in its entirety and inserting in lieu thereof a new Sec. A.5 to read:

Sec. A.5. 10 V.S.A. § 234 is amended to read:

§ 234. THE VERMONT JOBS FUND

* * *

(c) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed ~~$60,000,000.00~~ $100,000,000.00 to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.

* * *

Third: In Sec. A.6, in 10 V.S.A. § 374a, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(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~~ $5,000,000.00, whichever is greater.

Fourth: In Sec. D.1, following the first asterisks and preceding subsection (e), by inserting:

(b) Eligibility for grant. The Secretary of Commerce and Community Development may award a grant to an employer if:

* * *

(2) the employer provides its employees with at least three of the following:

* * *

(H) other paid time off, ~~including~~ excluding paid sick days;

* * *

Fifth: In Sec. H.1, in 32 V.S.A. § 3331(9)(C)(viii), by striking out including and inserting in lieu thereof excluding

Sixth: By striking out Sec. H.10 (VEGI Program Review) in its entirety, redesignating Secs. H.11–H.12 to be Secs. H.10–H.11, and inserting Secs. H.12–H.15 to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after January 1, 2022.

Sec. H.13. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM REVIEW

(a) On or before August 15, 2016, the Vermont Economic Progress Council shall convene a Vermont Employment Growth Incentive Program Review Group.

(b) The Group shall consist of the following members:

(1) the Executive Director of the Vermont Economic Progress Council;

(2) a representative of the Vermont Regional Development Corporations appointed by the Secretary of Commerce and Community Development;

(3) a representative of the business community designated by the Governor; and

(4) a member of the public designated jointly by the Speaker of the House and the Senate Committee on Committees.

(c) The Group shall review the following questions relating to the Vermont Employment Growth Incentive Program:

(1) whether the enhanced incentives available under the program are appropriate and necessary, including:

(A) an analysis of the growth in the environmental technology sector in Vermont as defined in the enhanced incentive for environmental technology business and whether growth in this sector obviates the need for the current enhancement; and

(B) whether the State should forego additional net fiscal benefit under the enhancements and whether the policy objectives of the enhancements are met;

(2) whether and how to include a mechanism in the Program for equity investments in incentive recipients;

(3) whether and under what circumstances the Department of Taxes should have, and should exercise, the authority to recapture the value of incentives paid to a business that is subsequently sold or relocated out of the State, or that eliminates qualifying jobs after receiving an incentive;

(4) how to most effectively ensure, through the application and award process, that recipients of VEGI incentives are in compliance with all federal and State water quality and air quality laws and regulations;

(5) the size, industry, and profile of the businesses that historically have experienced, and are forecast to experience, the most growth in Vermont, and whether the Program should be more targeted to these businesses;

(6) changes to the Program to ensure incentives will benefit the creation and growth of more small businesses; and

(7) whether additional applicant and program data reporting and transparency could be accomplished without damage to applicant businesses.

(d) On or before January 15, 2018, the Group shall report its findings, conclusions, recommendations, and supporting data for legislative action to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations.

Sec. H.14. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; TECHNICAL WORKING GROUP REVIEW

(a) The Joint Fiscal Committee shall convene a Vermont Employment Growth Incentive Program Technical Working Group that shall consist of the following members, as designated by the Committee:

(1) the legislative economist or another designee from the Joint Fiscal Office;

(2) a policy analyst from the Agency of Commerce and Community Development;

(3) an economic and labor market information chief from the Department of Labor; and

(4) a fiscal analyst from the Department of Taxes or the State economist.

(b) The Group shall meet not more than twice and shall review the following questions relating to the Vermont Employment Growth Incentive Program:

(1) whether the cost-benefit model is the most current and appropriate tool for evaluating fiscal impacts of the Program and whether it is effectively utilized;

(2) whether the inputs to the cost-benefit model should be adjusted for those applicants who assert that but for the incentive the scale or timing of the project would change;

(3) whether the Program can integrate the use of business-specific background growth rates in addition to, or in place of, industry-specific background growth rates; and, if industry-specific background growth rates are recommended, a methodology to review, calculate, and set those rates routinely; and

(4) whether differential rates in annual average wages or annual average unemployment, defined by labor market area, are appropriate triggers for an incentive enhancement for projects located in, or lower wage threshold for jobs created in, qualifying labor market areas, and whether the margins of error in annual labor market area wage and unemployment rates are within an acceptable range of tolerance for this use.

(c) On or before November 15, 2016 the Group shall submit a report of its findings and conclusions to the Joint Fiscal Committee, the VEGI Program Review Group, and the General Assembly.

Sec. H.15. VERMONT EMPLOYMENT GROWTH INCENTIVE PROGRAM; QUALIFYING JOB; BENEFITS; REVIEW

On or before December 15, 2016, the Vermont Economic Progress Council shall consider and report its recommendations to the House Committees on Commerce and Economic Development, on Ways and Means, and on Appropriations, and to the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Appropriations, on quantifiable standards for the type, quality, and value of employee benefits that an applicant must offer in order for a new job to count as a "qualifying job" for purposes of the Vermont Employment Growth Incentive Program.

Seventh: By striking out Sec. Z.1 in its entirety and inserting in lieu thereof a new Sec. Z.1 to read:

Sec. Z.1. EFFECTIVE DATES

(a) This section and the following sections shall take effect on passage:

(1) Secs. A.2–A.7 (Vermont Economic Development Authority).

(2) Sec. B.1 (cooperatives; electronic voting).

(3) Sec. E.4 (technical correction to business registration statute).

(4) Sec. G.1 (Medicaid for working people with disabilities).

(5) Sec. Q.2 (tax study).

(b) The following sections shall take effect on July 1, 2016:

(1) Sec. D.1 (Vermont Training Program).

(2) Secs. F.1–F.9 (Vermont State Treasurer).

(3) Secs. H.10 (extension of sunset) and H.13–H.15 (program reviews).

(4) Sec. I.1 (blockchain technology).

(5) Sec. J.1 (Internet-based lodging accommodations study).

(6) Secs. K.1–K.3 (State Workforce Development Board).

(7) Secs. L.1–L.3 (Vermont Creative Network).

(8) Secs. O.1–O.2 (Vermont Sustainable Jobs Fund).

(9) Secs. S.1–S.3 (Vermont Enterprise Fund; appropriation).

(10) Secs. T.1–T.4 (workforce housing; down payment assistance).

(c) The following sections shall take effect on July 1, 2017:

(1) Secs. C.1–C.2 (regional planning and development).

(2) Secs. E.1–E.2 (conversion, merger, share exchange, and domestication of a corporation).

(d)(1) Notwithstanding 1 V.S.A. § 214, Sec. E.3 (technical corrections to LLC Act) shall take effect retroactively as of July 1, 2015, and apply only to:

(A) a limited liability company formed on or after July 1, 2015; and

(B) except as otherwise provided in subdivision (4) of this subsection, a limited liability company formed before July 1, 2015 that elects, in the manner provided in its operating agreement or by law for amending the operating agreement, to be subject to this act.

(2) Sec. E.3 does not affect an action commenced, a proceeding brought, or a right accrued before July 1, 2015.

(3) Except as otherwise provided in subdivision (4) of this subsection, Sec. E.3 shall apply to all limited liability companies on and after July 1, 2016.

(4) For the purposes of applying Sec. E.3 to a limited liability company formed before July 1, 2015, for the purposes of applying 11 V.S.A. § 4023 and subject to 11 V.S.A. § 4003, language in the company's articles of organization designating the company's management structure operates as if that language were in the operating agreement.

(e) Sec. R.1 (Financial Literacy Commission) shall take effect on July 2, 2016.

(f) Secs. H.1–H.9 (Vermont Employment Incentive Growth Program) and Secs. H.11–H.12 (prospective repeal of current VEGI statute; prospective repeal of authority to issue award incentives) shall take effect on January 1, 2018.

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 that the bill be amended as recommended by the Committee on Economic Development Housing and General Affairs, as amended by the Committee on Finance with the following amendment thereto:

First: By striking out Secs. L.2–L.3 (appropriation; Vermont Creative Network) in their entireties and inserting in lieu thereof a new Sec. L.2 to read:

Sec. L.2. ALLOCATION OF APPROPRIATIONS TO VERMONT ARTS COUNCIL

Of the amounts appropriated from the General Fund to the Vermont Arts Council in Fiscal Year 2017, the Council shall allocate the amount of $35,000.00 to perform the duties specified in Sec. L.1 of this act (Vermont Creative Network) .

Second: By striking out Secs. S.1–S.3 (Vermont Enterprise Fund) in their entireties and inserting in lieu thereof [Reserved.]

Third: By striking out Secs. T.1–T.2 in their entireties and inserting in lieu thereof new Secs. T.1–T.2 to read:

Sec. T.1. [Reserved.]

Sec. T.2. AFFORDABLE HOUSING; STUDY

On or before December 15, 2016, the Agency of Commerce and Community Development shall report to the House Committees on Commerce and Economic Development and on General, Housing and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on the following:

(1) A review of existing statutes and programs, such as property tax reallocation, that may serve as tools to update existing housing stock.

(2) Data from the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, and the Natural Resources Board with respect to priority housing projects.

(A) For each such project, these agencies shall provide in the report:

(i) Whether the project received an exemption under 10 V.S.A. chapter 151 (Act 250).

(ii) The amount of the fee savings under Act 250.

(iii) The amount of the fee savings under permit programs administered by the Agency of Natural Resources.

(iv) The cost under 10 V.S.A. § 6093 to mitigate primary agricultural soils and a comparison to what that cost of such mitigation would have been if the project had not qualified as a priority housing project.

(B) Based on this data, the report shall summarize the benefits provided to priority housing projects.

(C) As used in this subdivision (2), "primary agricultural soils" and "priority housing project" have the same meaning as in 10 V.S.A. § 6001.

(3) The results of a process led by the Executive Director of the Vermont Economic Progress Council to engage stakeholders, including representatives of the private lending industry; the private housing development industry; a municipality that has an Tax Increment Financing District; a municipality that has a designated downtown, growth center, or neighborhood development area; a municipality that has a priority housing project; the Department of Housing and Community Development; the Department of Economic Development; the Department of Taxes; and the Vermont Housing and Conservation Board, to investigate alternative municipal infrastructure financing to enable smaller communities to build the needed infrastructure to support mixed-income housing projects in communities around the State.

Fourth: In Sec. Z.1, in subdivision (b)(7) by striking out "L.3" and inserting in lieu thereof L.2 and by striking out subdivisions (b)(9)–(10) in their entireties and inserting in lieu thereof a new subdivision (b)(9) to read:

(9) Secs. T.2–T.4 (workforce housing study; VHCB; down payment assistance).

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 question Shall the recommendation of proposal of amendment of the Committee on Economic Development Housing and General Affairs be amended as proposed by the Committee on Finance?, was agreed to.

Thereupon, the question Shall the proposal of amendment of the Committee on Economic Development Housing and General Affairs, as amended, be amended as proposed by the Committee on Appropriations?, was agreed to.

Thereupon, the question Shall the Senate propose to the House to amend the bill as recommended by of the Committee on Economic Development Housing and General Affairs, as amended was agreed to and third reading of the bill was ordered.

Proposals of Amendment; Third Reading Ordered

H. 877.

Senator Degree, for the Committee on Finance, to which was referred House bill entitled:

An act relating to transportation funding.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: In Sec. 1, 23 V.S.A. § 3003(e), by striking out "~~less one percent for shrinkage, loss by evaporation, or otherwise,~~" and inserting in lieu thereof the following: less ~~one~~ 0.5 percent for shrinkage, loss by evaporation, or otherwise,

Second: In Sec. 2, 23 V.S.A. § 3015, in subdivision (2), in the third sentence, by striking out "~~less one percent for shrinkage, loss by evaporation or otherwise,~~" and inserting in lieu thereof the following: less ~~one~~ 0.5 percent for shrinkage, loss by evaporation, or otherwise,

Third: In Sec. 3, 23 V.S.A. § 3107, by striking out "~~less one percent for shrinkage, loss by evaporation, or otherwise,~~" and inserting in lieu thereof the following: less ~~one~~ 0.5 percent for shrinkage, loss by evaporation, or otherwise,

Fourth: After Sec. 1, 23 V.S.A. § 3003(e), by inserting a Sec. 1a to read as follows:

Sec. 1a. 23 V.S.A. § 3003(e) is amended to read:

(e) A distributor may use as the measure of the tax so levied and assessed the gross quantity of diesel fuel purchased, imported, produced, refined, manufactured, and compounded by the distributor, ~~less 0.5 percent for shrinkage, loss by evaporation, or otherwise,~~ instead of the quantity sold, distributed, or used.

Fifth: After Sec. 2, 23 V.S.A. § 3015, by inserting a Sec. 2a to read as follows:

Sec. 2a. 23 V.S.A. § 3015(2) is amended to read:

(2) Except as provided in subdivision 3002(9) of this title, the user's tax shall be determined by multiplying the number of gallons of fuels used in Vermont in motor vehicles operated by the user at the rate per gallon stated in section 3003 for vehicles weighing or registered for 26,001 pounds or more. The taxable gallonage shall be computed on the basis of miles travelled within the State as compared to total miles travelled within and without the State, with the actual method of computation prescribed by the Commissioner. A distributor may use as the measure of the tax so levied and assessed the gross quantity of fuel purchased, imported, produced, refined, manufactured, and compounded by the distributor, ~~less 0.5 percent for shrinkage, loss by evaporation or otherwise,~~ instead of the quantity sold, distributed, or used. From this amount of tax due, there shall be deducted the tax on fuel purchased in this State on which the tax has been previously paid by the user, provided the tax-paid purchases are supported by copies of the sales invoices showing the amount of tax paid. Such copies shall be retained by the taxpayer for a period of not less than three years and shall be available for inspection by the Commissioner or his or her designated agents. If the computation shows additional tax to be due, it shall be remitted with the report filed under section 3014 of this title.

Sixth: After Sec. 3, 23 V.S.A. § 3107, by inserting a Sec. 3a to read as follows:

Sec. 3a. 23 V.S.A. § 3107 is amended to read:

§ 3107. ALTERNATIVE BASIS FOR COMPUTING TAX

A distributor may use as the measure of the tax so levied and assessed the gross quantity of motor fuel purchased, imported, produced, refined, manufactured, and compounded by the distributor, ~~less 0.5 percent for shrinkage, loss by evaporation, or otherwise,~~ instead of the quantity sold, distributed, or used.

Seventh: In Sec. 4, 32 V.S.A. § 8903 (purchase and use tax cap), by striking out subdivision (a)(2) (purchase tax cap) in its entirety, and inserting in lieu thereof the following:

(2) For any other motor vehicle that is used primarily for commercial or trade purposes, it shall be six percent of the taxable cost of the motor vehicle or ~~$1,850.00~~ $2,075.00 for each motor vehicle, whichever is smaller~~, except that pleasure~~. Pleasure cars ~~which~~ that are purchased, leased, or otherwise acquired

for use in short-term rentals shall be subject to taxation under subsection (d) of this section.

Eighth: In Sec. 4, 32 V.S.A. § 8903 (purchase and use tax cap), by striking out subdivision (b)(2) (use tax cap) in its entirety, and inserting in lieu thereof the following:

(2) For any other motor vehicle that is used primarily for commercial or trade purposes, it shall be six percent of the taxable cost of ~~a~~ the motor vehicle, or ~~$1,850.00~~ $2,075.00 for each motor vehicle, whichever is smaller, by a person at the time of first registering or transferring a registration to such motor vehicle payable as hereinafter provided~~, except no~~. No use tax shall be payable hereunder if the tax imposed by subsection (a) of this section has been paid, or the vehicle is a pleasure car ~~which~~ that was purchased, leased, or otherwise acquired for use in short-term rentals, in which case the vehicle shall be subject to taxation under subsection (d) of this section.

Ninth: In Sec. 8, 23 V.S.A. § 304, in subdivision (b)(1), after "upon payment of an annual fee of ~~$45.00~~" by striking out "$50.00" and inserting in lieu thereof $48.00

Tenth: By striking out Sec. 14, 23 V.S.A. § 361, in its entirety and inserting in lieu thereof the following:

Sec. 14. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

The annual fee for registration of any motor vehicle of the pleasure car type~~,~~ ~~and all vehicles powered by electricity,~~ shall be ~~$69.00~~ $74.00, and the biennial fee shall be ~~$127.00~~ $136.00.

Eleventh: After Sec. 14, by adding a Sec. 14a to read as follows:

Sec. 14a. 23 V.S.A. § 361a is added to read:

§ 361a. HYBRID AND ELECTRIC-POWERED PLEASURE CARS

(a) As used in this section:

(1) "Electric vehicle" means a vehicle that is powered solely by an electric motor drawing current from a rechargeable energy storage system, such as storage batteries or other portable electrical energy storage devices, including hydrogen fuel cells, provided that:

(A) the vehicle is capable of drawing recharge energy from a source off the vehicle, such as residential electric service; and

(B) the vehicle does not have an onboard combustion engine or generator system as a means of providing electrical energy.

(2) "Hybrid vehicle" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both an internal combustion engine or heat engine using consumable fuel and a rechargeable energy storage system such as a battery, capacitor, hydraulic accumulator, or flywheel. This includes a plug-in hybrid electric vehicle (PHEV) that is capable of recharging its battery from an off-vehicle electric source, such that the off-vehicle source cannot be connected to the vehicle while the vehicle is in motion.

(b) The annual fee for registration of any electric vehicle shall be $114.00, and the biennial fee shall be $210.00.

(c) The annual fee for registration of any hybrid vehicle shall be $94.00, and the biennial fee shall be $173.00.

Twelfth: In Sec. 15, by striking out "$45,000.00" and inserting in lieu thereof $55,320.00

Thirteenth: In Sec. 33, 23 V.S.A. § 517, in the second sentence, after "payment of a", by striking out "$25.00" and inserting in lieu thereof $6.00

Fourteenth: After Sec. 36, 23 V.S.A. § 617, by inserting a Sec. 36a to read as follows:

Sec. 36a. ANATOMICAL GIFT; OPERATORS' LICENSES; REPORT

On or before October 15, 2016, the Commissioner of Motor Vehicles shall submit a report to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Transportation on the number of persons who have authorized an anatomical gift at the time of issuance of a driver's license or nondriver identification card pursuant to 18 V.S.A. § 5250e. This report shall include a proposal for implementing in a manner that would have a revenue-neutral result a discount on the license and identification card fees owed under 23 V.S.A. § 115 and 23 V.S.A. chapter 9 for persons who have authorized an anatomical gift.

Fifteenth: In Sec. 42, 23 V.S.A. § 1392, in subdivision (14)(C), in the last sentence, after "The permit fee shall be ~~$10.00~~", by striking out "$13.00" and inserting in lieu thereof $15.00

Sixteenth: In Sec. 42, 23 V.S.A. § 1392, in subdivision (14)(D), in the last sentence, after "The permit fee shall be ~~$10.00~~", by striking out "$13.00" and inserting in lieu thereof $15.00

Seventeenth: In Sec. 45, 23 V.S.A. § 2023(e) (transfer of vehicle to surviving spouse), by striking out subsection (e) in its entirety, and inserting in lieu thereof the following:

(e) Notwithstanding other provisions of the law, whenever the estate of an individual who dies intestate consists principally of an automobile, the surviving spouse shall be deemed to be the owner of the motor vehicle and title to the same shall automatically and by virtue hereof pass to the surviving spouse. ~~Registration and titling of~~ Upon request, the Department shall register and title the vehicle in the name of the surviving spouse~~, shall be effected by payment of a transfer fee of $7.00~~ and no fee shall be assessed. This transaction is exempt from the provisions of the purchase and use tax on motor vehicles.

(1) Notwithstanding other provisions of the law, and except as provided in subdivision (2) of this subsection, whenever the estate of an individual consists in whole or in part of a motor vehicle, and the person's will or other testamentary document does not specifically address disposition of motor vehicles, the surviving spouse shall be deemed to be the owner of the motor vehicle and title to the motor vehicle shall automatically pass to the surviving spouse. ~~Registration and titling of~~ Upon request, the Department shall register and title the vehicle in the name of the surviving spouse~~, shall be effected by payment of a transfer fee of $7.00~~ and no fee shall be assessed. This transaction is exempt from the provisions of the purchase and use tax on motor vehicles.

(2) This subsection shall apply to no more than two motor vehicles, and shall not apply if the motor vehicle is titled in the name of one or more persons other than the decedent and the surviving spouse.

Eighteenth: After Sec. 57, by striking out the reader assistance and by striking out Sec. 58, Effective Date, in its entirety and inserting in lieu thereof a new reader assistance and a new Sec. 58 to read as follows:

* * * Effective Dates * * *

Sec. 58. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Secs. 1, 2, and 3 (0.5 percent diesel fuel and gas shrinkage allowance) shall take effect on June 1, 2016.

(c) Secs. 1a, 2a, and 3a (elimination of diesel fuel and gas shrinkage allowance) shall take effect on June 1, 2017.

(d) Sec. 14a (hybrid and electric vehicle registration) shall take effect on July 1, 2017.

(e) The remaining sections shall take effect on July 1, 2016.

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

Senator Westman, 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 Finance with the following amendment thereto:

In Sec. 14a, 23 V.S.A. § 361a, by striking out Sec. 14a in its entirety, and inserting in lieu thereof the following:

Sec. 14a. 23 V.S.A. § 361a is added to read:

§ 361a. PLUG-IN ELECTRIC HYBRID VEHICLE AND ELECTRIC-POWERED PLEASURE CARS

(a) As used in this section:

(1) "Electric vehicle" means a vehicle that is powered solely by an electric motor drawing current from a rechargeable energy storage system, such as storage batteries or other portable electrical energy storage devices, provided that:

(A) the vehicle is capable of drawing recharge energy from a source off the vehicle, such as residential electric service; and

(B) the vehicle does not have an onboard combustion engine or generator system as a means of providing electrical energy.

(2) "Plug-In Electric Hybrid Vehicle (PHEV)" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both an internal combustion engine or heat engine using consumable fuel and a rechargeable energy storage system such as a battery, capacitor, hydraulic accumulator, or flywheel that is capable of recharging its battery from an off-vehicle electric source, such that the off-vehicle source cannot be connected to the vehicle while the vehicle is in motion.

(b) The annual fee for registration of an electric vehicle shall be $114.00, and the biennial fee shall be $210.00.

(c) The annual fee for registration of a plug-in electric hybrid vehicle shall be $94.00, and the biennial fee shall be $173.00.

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 Finance was amended as recommended by the Committee on Appropriations.

Thereupon, the proposals of amendment recommended by the Committee on Finance, as amended, were agreed to and third reading of the bill was ordered.

House Proposal of Amendment Concurred In

S. 20.

House proposal of amendment to Senate bill entitled:

An act relating to establishing and regulating dental therapists.

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. LEGISLATIVE FINDINGS

This bill establishes and regulates a new category of oral health practitioners: dental therapists. It is the intent of the General Assembly to do so in order to increase access for Vermonters to oral health care, especially in areas with a significant volume of patients who are low income, or who are uninsured or underserved.

Sec. 2. 26 V.S.A. chapter 12 is amended to read:

CHAPTER 12. DENTISTS, DENTAL THERAPISTS, DENTAL HYGIENISTS, AND DENTAL ASSISTANTS

Subchapter 1. General Provisions

§ 561. DEFINITIONS

As used in this chapter:

(1) "Board" means the ~~board of dental examiners~~ Board of Dental Examiners.

(2) "Director" means the ~~director of the office of professional regulation~~ Director of the Office of Professional Regulation.

(3) "Practicing dentistry" means an activity in which a person:

(A) undertakes by any means or method to diagnose or profess to diagnose or to treat or profess to treat or to prescribe for or profess to prescribe for any lesions, diseases, disorders, for deficiencies of the human oral cavity, teeth, gingiva, maxilla, or mandible or adjacent associated structures;

(B) extracts human teeth or corrects malpositions of the teeth or jaws;

(C) furnishes, supplies, constructs, reproduces, or repairs prosthetic dentures, bridges, appliances, or other structures to be used or worn as

substitutes for natural teeth or adjusts those structures, except on the written prescription of a duly licensed dentist and by the use of impressions or casts made by a duly licensed and practicing dentist;

(D) administers general dental anesthetics;

(E) administers local dental anesthetics, except dental hygienists as authorized by ~~board~~ Board rule; or

(F) engages in any of the practices included in the curricula of recognized dental colleges.

(4) "Dental therapist" means an individual licensed to practice as a dental therapist under this chapter.

(5) "Dental hygienist" means an individual licensed to practice as a dental hygienist under this chapter.

~~(5)~~(6) "Dental assistant" means an individual registered to practice as a dental assistant under this chapter.

~~(6)~~(7) "Direct supervision" means supervision by a licensed dentist who is readily available at the dental facility for consultation or intervention.

(8) "General supervision" means:

(A) the direct or indirect oversight of a dental therapist by a dentist, which need not be on-site; or

(B) the oversight of a dental hygienist by a dentist as prescribed by Board rule in accordance with sections 582 and 624 of this chapter.

§ 562. PROHIBITIONS

(a) No person may use in connection with a name any words, including "Doctor of Dental Surgery" or "Doctor of Dental Medicine," or any letters, signs, or figures, including the letters "D.D.S." or "D.M.D.," which imply that a person is a licensed dentist when not authorized under this chapter.

(b) No person may practice as a dentist, dental therapist, or dental hygienist unless currently licensed to do so under the provisions of this chapter.

(c) No person may practice as a dental assistant unless currently registered under the provisions of this chapter.

(d) A person who violates this section shall be subject to the penalties provided in 3 V.S.A. § 127.

* * *

§ 565. DISPLAY OF LICENSE OR REGISTRATION

Every dentist, dental therapist, dental hygienist, and dental assistant shall display a copy of his or her current license or registration at each place of practice and in such a manner so as to be easily seen and read.

* * *

Subchapter 2. Board of Dental Examiners

§ 581. CREATION; QUALIFICATIONS

* * *

(b) Board members shall be appointed by the ~~governor~~ Governor pursuant to 3 V.S.A. §§ 129b and 2004.

(c) ~~No~~ A member of the ~~board may~~ Board shall not be an officer or serve on a committee of his or her respective state or local professional dental, dental therapy, dental hygiene, or dental assisting organization~~, nor shall any member of the board be on the faculty of a school of dentistry, dental hygiene, or dental assisting~~.

* * *

§ 584. UNPROFESSIONAL CONDUCT

The ~~board~~ Board may refuse to give an examination or issue a license to practice dentistry, to practice as a dental therapist, or to practice dental hygiene or to register an applicant to be a dental assistant and may suspend or revoke any such license or registration or otherwise discipline an applicant, licensee, or registrant for unprofessional conduct. Unprofessional conduct means the following conduct and the conduct set forth in 3 V.S.A. § 129a by an applicant or person licensed or registered under this chapter:

* * *

(2) rendering professional services to a patient if the dentist, dental therapist, dental hygienist, or dental assistant is intoxicated or under the influence of drugs;

* * *

(6) practicing a profession regulated under this chapter with a dentist, dental therapist, dental hygienist, or dental assistant who is not legally practicing within the ~~state~~ State or aiding or abetting such practice;

* * *

Subchapter 3A. Dental Therapists

§ 611. LICENSE BY EXAMINATION

(a) Qualifications for examination. To be eligible for examination for licensure as a dental therapist, an applicant shall:

(1) have attained the age of majority;

(2) be a Vermont licensed dental hygienist;

(3) be a graduate of a dental therapist educational program administered by an institution accredited by the Commission on Dental Accreditation to train dental therapists;

(4) have successfully completed an emergency office procedure course approved by the Board; and

(5) pay the application fee set forth in section 662 of this chapter and an examination fee established by the Board by rule.

(b) Completion of examination.

(1)(A) An applicant for licensure meeting the qualifications for examination set forth in subsection (a) of this section shall pass a comprehensive, competency-based clinical examination approved by the Board and administered independently of an institution providing dental therapist education.

(B) An applicant shall also pass an examination testing the applicant's knowledge of the Vermont statutes and rules relating to the practice of dentistry approved by the Board.

(2) An applicant who has failed the clinical examination twice is ineligible to retake the clinical examination until further education and training are obtained as established by the Board by rule.

(c) The Board may grant a license to an applicant who has met the requirements of this section.

(d) A person licensed as a dental therapist under this section shall not be required to maintain his or her dental hygienist license.

§ 612. LICENSE BY ENDORSEMENT

(a) The Board may grant a license as a dental therapist to an applicant who:

(1) is currently licensed in good standing to practice as a dental therapist in any jurisdiction of the United States or Canada that has licensing requirements deemed by the Board to be at least substantially equivalent to those of this State;

(2) has passed an examination testing the applicant's knowledge of the Vermont statutes and rules relating to the practice of dentistry approved by the Board;

(3) has successfully completed an emergency office procedure course approved by the Board;

(4) has met active practice requirements and any other requirements established by the Board by rule; and

(5) pays the application fee set forth in section 662 of this chapter.

(b) Notwithstanding the provisions of subdivision 611(a)(2) of this subchapter that require an applicant for dental therapist licensure by examination to be a Vermont licensed dental hygienist, an applicant for dental therapist licensure by endorsement under this section shall not be required to obtain Vermont dental hygienist licensure if the Board determines that the applicant otherwise meets the requirements for dental therapist licensure.

§ 613. PRACTICE; SCOPE OF PRACTICE

(a) A person who provides oral health care services, including prevention, evaluation, and assessment; education; palliative therapy; and restoration under the general supervision of a dentist within the parameters of a collaborative agreement as provided under section 614 of this subchapter shall be regarded as practicing as a dental therapist within the meaning of this chapter.

(b) A dental therapist may perform the following oral health care services:

(1) Oral health instruction and disease prevention education, including nutritional counseling and dietary analysis.

(2) Periodontal charting, including a periodontal screening examination.

(3) Exposing radiographs.

(4) Oral evaluation and assessment of dental disease.

(5) Dental prophylaxis.

(6) Mechanical polishing.

(7) Applying topical preventive or prophylactic agents, including fluoride varnishes, antimicrobial agents, and pit and fissure sealants.

(8) Pulp vitality testing.

(9) Applying desensitizing medication or resin.

(10) Fabricating athletic mouthguards.

(11) Suture removal.

(12) Changing periodontal dressings.

(13) Brush biopsies.

(14) Administering local anesthetic.

(15) Placement of temporary restorations.

(16) Interim therapeutic restorations.

(17) Placement of temporary and preformed crowns.

(18) Emergency palliative treatment of dental pain in accordance with the other requirements of this subsection.

(19) Formulating an individualized treatment plan, including services within the dental therapist's scope of practice and referral for services outside the dental therapist's scope of practice.

(20) Minor repair of defective prosthetic devices.

(21) Recementing permanent crowns.

(22) Placement and removal of space maintainers.

(23) Prescribing, dispensing, and administering analgesics, anti-inflammatories, and antibiotics, except Schedule II, III, or IV controlled substances.

(24) Administering nitrous oxide.

(25) Fabricating soft occlusal guards, but not for treatment of temporomandibular joint disorders.

(26) Tissue conditioning and soft reline.

(27) Tooth reimplantation and stabilization.

(28) Extractions of primary teeth.

(29) Nonsurgical extractions of periodontally diseased permanent teeth with tooth mobility of +3. A dental therapist shall not extract a tooth if it is unerupted, impacted, fractured, or needs to be sectioned for removal.

(30) Cavity preparation.

(31) Restoring primary and permanent teeth, not including permanent tooth crowns, bridges, veneers, or denture fabrication.

(32) Preparation and placement of preformed crowns for primary teeth.

(33) Pulpotomies on primary teeth.

(34) Indirect and direct pulp capping on primary and permanent teeth.

§ 614. COLLABORATIVE AGREEMENT

(a) Before a dental therapist may enter into his or her first collaborative agreement, he or she shall:

(1) complete 1,000 hours of direct patient care using dental therapy procedures under the direct supervision of a dentist; and

(2) receive a certificate of completion signed by that supervising dentist that verifies the dental therapist completed the hours described in subdivision (1) of this subsection.

(b) In order to practice as a dental therapist, a dental therapist shall enter into a written collaborative agreement with a dentist. The agreement shall include:

(1) practice settings where services may be provided and the populations to be served;

(2) any limitations on the services that may be provided by the dental therapist, including the level of supervision required by the supervising dentist;

(3) age- and procedure-specific practice protocols, including case selection criteria, assessment guidelines, and imaging frequency;

(4) a procedure for creating and maintaining dental records for the patients that are treated by the dental therapist;

(5) a plan to manage medical emergencies in each practice setting where the dental therapist provides care;

(6) a quality assurance plan for monitoring care provided by the dental therapist, including patient care review, referral follow-up, and a quality assurance chart review;

(7) protocols for prescribing, administering, and dispensing medications, including the specific conditions and circumstances under which these medications may be prescribed, dispensed, and administered;

(8) criteria relating to the provision of care to patients with specific medical conditions or complex medication histories, including requirements for consultation prior to the initiation of care;

(9) criteria for the supervision of dental assistants and dental hygienists; and

(10) a plan for the provision of clinical resources and referrals in situations that are beyond the capabilities of the dental therapist.

(c)(1) The supervising dentist shall be professionally responsible and legally liable for all services authorized and performed by the dental therapist pursuant to the collaborative agreement.

(2) A supervising dentist shall be licensed and practicing in Vermont.

(3) A supervising dentist is limited to entering into a collaborative agreement with no more than two dental therapists at any one time.

(d)(1) A collaborative agreement shall be signed and maintained by the supervising dentist and the dental therapist.

(2) A collaborative agreement shall be reviewed, updated, and submitted to the Board on an annual basis and as soon as a change is made to the agreement.

(e) Nothing in this chapter shall be construed to require a dentist to enter into a collaborative agreement with a dental therapist.

§ 615. APPLICATION OF OTHER LAWS

(a) A dental therapist authorized to practice under this chapter shall not be in violation of section 562 of this chapter as it relates to the unauthorized practice of dentistry if the practice is authorized under this chapter and under the collaborative agreement.

(b) A dentist who permits a dental therapist to perform a dental service other than those authorized under this chapter or any dental therapist who performs an unauthorized service shall be in violation of section 584 of this chapter.

§ 616. USE OF DENTAL HYGIENISTS AND DENTAL ASSISTANTS

(a) A dental therapist may supervise dental assistants and dental hygienists directly to the extent permitted in the collaborative agreement.

(b) At any one practice setting, a dental therapist may have under his or her direct supervision no more than a total of two assistants or hygienists or a combination thereof.

§ 617. REFERRALS

(a) The supervising dentist shall refer patients to another dentist or specialist to provide any necessary services needed by a patient that are beyond the scope of practice of the dental therapist and which the supervising dentist is unable to provide.

(b) A dental therapist, in accordance with the collaborative agreement, shall refer patients to another qualified dental or health care professional to receive any needed services that exceed the scope of practice of the dental therapist.

* * *

Subchapter 6. Renewals, Continuing Education, and Fees

§ 661. RENEWAL OF LICENSE

(a) Licenses and registrations shall be renewed every two years on a schedule determined by the ~~office of professional regulation~~ Office of Professional Regulation.

(b) No continuing education reporting is required at the first biennial license renewal date following licensure.

(c) The ~~board~~ Board may waive continuing education requirements for licensees who are on active duty in the ~~armed forces of the United States~~ U.S. Armed Forces.

(d) Dentists.

* * *

(e) Dental therapists. To renew a license, a dental therapist shall meet active practice requirements established by the Board by rule and document completion of no fewer than 20 hours of Board-approved continuing professional education which shall include an emergency office procedures course during the two-year licensing period preceding renewal.

(f) Dental hygienists. To renew a license, a dental hygienist shall meet active practice requirements established by the ~~board~~ Board by rule and document completion of no fewer than 18 hours of ~~board-approved~~ Board-approved continuing professional education which shall include an emergency office procedures course during the two-year licensing period preceding renewal.

~~(f)~~(g) Dental assistants. To renew a registration, a dental assistant shall meet the requirements established by the ~~board~~ Board by rule.

§ 662. FEES

(a) Applicants and persons regulated under this chapter shall pay the following fees:

(1) Application

(A) Dentist	$ 225.00
(B) Dental therapist	$ 185.00
(C) Dental hygienist	$ 150.00
~~(C)~~(D) Dental assistant	$ 60.00

(2) Biennial renewal

(A) Dentist	$ 355.00
(B) Dental therapist	$ 225.00
(C) Dental hygienist	$ 125.00
~~(C)~~(D) Dental assistant	$ 75.00

(b) The licensing fee for a dentist, dental therapist, or dental hygienist or the registration fee for a dental assistant who is otherwise eligible for licensure or registration and whose practice in this ~~state~~ State will be limited to providing pro bono services at a free or reduced-fee clinic or similar setting approved by the ~~board~~ Board shall be waived.

* * *

Sec. 3. DEPARTMENT OF HEALTH; REPORT ON GEOGRAPHIC DISTRIBUTION OF DENTAL THERAPISTS

Two years after the graduation of the first class of dental therapists from a Vermont accredited program, the Department of Health, in consultation with the Board of Dental Examiners, shall report to the Senate Committees on Health and Welfare and on Government Operations and the House Committees on Human Services and on Government Operations regarding:

(1) the geographic distribution of licensed dental therapists practicing in this State;

(2) the geographic areas of this State that are underserved by licensed dental therapists; and

(3) recommended strategies to promote the practice of licensed dental therapists in underserved areas of this State, particularly those areas that are rural in nature and have high numbers of people living in poverty.

Sec. 4. BOARD OF DENTAL EXAMINERS; REQUIRED RULEMAKING

The Board of Dental Examiners shall adopt the rules and perform all other acts necessary to implement the provisions of this act.

Sec. 5. [Deleted.]

Sec. 6. 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.

House Proposal of Amendment Concurred In

S. 132.

House proposal of amendment to Senate bill entitled:

An act relating to the prohibition of conversion therapy on minors.

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:

* * * Findings * * *

Sec. 1. FINDINGS

In recognition that being lesbian, gay, bisexual, or transgender is part of the natural spectrum of human identity and is not a disease, disorder, illness, deficiency, or shortcoming, the General Assembly finds:

(1) Vermont has a compelling interest in protecting the physical and psychological well-being of children, including lesbian, gay, bisexual, and transgender youth, and in protecting its children against exposure to serious harms.

(2) A 2015 report published by the U.S. Substance Abuse and Mental Health Service's Administration states "conversion therapy . . . is a practice that is not supported by credible evidence and has been disavowed by behavioral health experts and associations . . . [m]ost importantly, it may put young people at risk of serious harm."

(3) The American Academy of Pediatrics, the American Counseling Association, the American Psychiatric Association, the American Psychological Association, the American School Counselor Association, and the National Association of Social Workers, together representing more than 477,000 health and mental health professionals, have all taken the position that homosexuality is not a mental disorder and thus there is no need for a "cure."

* * * Conversion Therapy * * *

Sec. 2. 18 V.S.A. chapter 196 is added to read:

CHAPTER 196. CONVERSION THERAPY

§ 8351. DEFINITIONS

As used in this chapter:

(1) "Conversion therapy" means any practice by a mental health care provider that seeks to change an individual's sexual orientation or gender identity, including efforts to change behaviors or gender expressions or to

change sexual or romantic attractions or feelings toward individuals of the same sex or gender. "Conversion therapy" does not include psychotherapies that:

(A) provide support to an individual undergoing gender transition; or

(B) provide acceptance, support, and understanding of clients or the facilitation of clients' coping, social support, and identity exploration and development, including sexual-orientation-neutral or gender-identity-neutral interventions to prevent or address unlawful conduct or unsafe sexual practices without seeking to change an individual's sexual orientation or gender identity.

(2) "Mental health care provider" means a person licensed to practice medicine pursuant to 26 V.S.A. chapter 23, 33, or 81 who specializes in the practice of psychiatry; a psychologist, a psychologist-doctorate, or a psychologist-master as defined in 26 V.S.A. § 3001; a clinical social worker as defined in 26 V.S.A. § 3201; a clinical mental health counselor as defined in 26 V.S.A. § 3261; a licensed marriage and family therapist as defined in 26 V.S.A. § 4031; a psychoanalyst as defined in 26 V.S.A. § 4051; any other allied mental health professional; or a student, intern, or trainee of any such profession.

§ 8352. TREATMENT OF MINORS

A mental health care provider shall not use conversion therapy with a client younger than 18 years of age.

§ 8353. UNPROFESSIONAL CONDUCT

Any conversion therapy used on a client younger than 18 years of age by a mental health care provider shall constitute unprofessional conduct as provided in the relevant provisions of Title 26 and shall subject the mental health care provider to discipline pursuant to the applicable provisions of that title and of 3 V.S.A. chapter 5.

* * * Physicians * * *

Sec. 3. 26 V.S.A. § 1354(a) is amended to read:

(a) The ~~board~~ Board shall find that any one of the following, or any combination of the following, whether or not the conduct at issue was committed within or outside the ~~state~~ State, constitutes unprofessional conduct:

* * *

(39) use of the services of a physician assistant by a physician in a manner which is inconsistent with the provisions of chapter 31 of this title; or

(40) use of conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Osteopathy * * *

Sec. 4. 26 V.S.A. § 1842(b) is amended to read:

(b) Unprofessional conduct means the following conduct and conduct set forth in 3 V.S.A. § 129a~~.~~:

* * *

(13) Use of conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Psychologists * * *

Sec. 5. 26 V.S.A. § 3016 is amended to read:

§ 3016. UNPROFESSIONAL CONDUCT

Unprofessional conduct means the conduct listed in this section and in 3 V.S.A. § 129a:

* * *

(11) Use of conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Clinical Social Workers * * *

Sec. 6. 26 V.S.A. § 3210(a) is amended to read:

(a) The following conduct and the conduct set forth in 3 V.S.A. § 129a by a licensed social worker constitutes unprofessional conduct. When that conduct is by an applicant or a person who later becomes an applicant, it may constitute grounds for denial of a license:

* * *

(12) failing to clarify the clinical social worker's role with the parties involved and to take appropriate action to minimize any conflicts of interest, when the clinical social worker anticipates a conflict of interest among the individuals receiving services or anticipates having to perform in conflicting roles such as testifying in a child custody dispute or divorce proceedings involving clients; or

(13) using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

Sec. 7. 26 V.S.A. § 3210(a) is amended to read:

(a) The following conduct and the conduct set forth in 3 V.S.A. § 129a by a person licensed under this chapter constitutes unprofessional conduct. When that conduct is by an applicant or a person who later becomes an applicant, it may constitute grounds for denial or discipline of a license:

* * *

(12) failing to clarify the licensee's role with the parties involved and to take appropriate action to minimize any conflicts of interest, when the clinical social worker anticipates a conflict of interest among the individuals receiving services or anticipates having to perform in conflicting roles such as testifying in a child custody dispute or divorce proceedings involving clients; or

(13) using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Clinical Mental Health Counselors * * *

Sec. 8. 26 V.S.A. § 3271(a) is amended to read:

(a) Unprofessional conduct means the following conduct and conduct set forth in 3 V.S.A. § 129a.:

* * *

(7) independently practicing outside or beyond a clinical mental health counselor's area of training, experience, or competence without appropriate supervision; or

(8) using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Marriage and Family Therapists * * *

Sec. 9. 26 V.S.A. § 4042(a) is amended to read:

(a) Unprofessional conduct means the following conduct and the conduct set forth in 3 V.S.A. § 129a:

* * *

(7) Using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Psychoanalysts * * *

Sec. 10. 26 V.S.A. § 4062(a) is amended to read:

(a) Unprofessional conduct means the following conduct and the conduct set forth in 3 V.S.A. § 129a:

* * *

(7) Using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Naturopathic Physicians * * *

Sec. 11. 26 V.S.A. § 4132(a) is amended to read:

(a) The following conduct and conduct set forth in 3 V.S.A. § 129a by a person licensed under this chapter or an applicant for licensure constitutes unprofessional conduct:

* * *

(11) Using conversion therapy as defined in 18 V.S.A. § 8351 on a client younger than 18 years of age.

* * * Effective Dates * * *

Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2016, except Sec. 7 shall take effect on July 1, 2017.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

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

S. 224.

House proposal of amendment to Senate bill entitled:

An act relating to warranty obligations of equipment dealers and suppliers.

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 AND INTENT

(a) The General Assembly finds:

(1) Vermont has long relied on economic activity relating to working farms and forestland in the State. These working lands, and the people who work the land, are part of the State's cultural and ecological heritage, and Vermont has made major policy and budget commitments in recent years in support of working lands enterprises. Farm and forest enterprises need a robust system of infrastructure to support their economic and ecological activities, and that infrastructure requires a strong economic base consisting of dealers, manufacturers, and repair facilities. Initiatives to help strengthen farm and forest working lands infrastructure are in the best interest of the State.

(2) Snowmobiles and all-terrain vehicles have a significant economic impact in the State, including the distribution and sale of these vehicles, use by residents, ski areas, and emergency responders, as well as tourists that come to enjoy riding snowmobiles and all-terrain vehicles in Vermont. It is in the best interest of the State to ensure that Vermont consumers who want to purchase snowmobiles and all-terrain vehicles have access to a competitive marketplace and a strong network of dealers, suppliers, and repair facilities in the State.

(3) The distribution and sale of equipment, snowmobiles, and all-terrain vehicles within this State vitally affects the general economy of the State and the public interest and the public welfare, and in order to promote the public interest and the public welfare, and in the exercise of its police power, it is necessary to regulate equipment, snowmobile, and all-terrain vehicle suppliers and their representatives, and to regulate dealer agreements issued by suppliers who are doing business in this State, in order to protect and preserve the investments and properties of the citizens of this State.

(4) There continues to exist a disparity in bargaining power between equipment, snowmobile, and all-terrain vehicle suppliers and the independent dealer network. This disparity in bargaining power enables equipment, snowmobile, and all-terrain vehicle suppliers to compel dealers to execute dealer agreements, related contracts, and addenda that contain terms and conditions that would not routinely be agreed to by the equipment, snowmobile, and all-terrain vehicle dealer if this disparity did not exist. It therefore is in the public interest to enact legislation to prevent unfair or arbitrary treatment of equipment, snowmobile, and all-terrain vehicle dealers by equipment, snowmobile, and all-terrain vehicle suppliers. It is also in the public interest that Vermont consumers, municipalities, businesses, and others that purchase equipment, snowmobiles, and all-terrain vehicles in Vermont have access to a robust independent dealer network to obtain competitive prices when purchasing these items and to obtain warranty, recall, or other repair work.

(b) It is the intent of the General Assembly that this act be liberally construed in order to achieve its purposes.

Sec. 2. 9 V.S.A. chapter 107 is amended to read:

CHAPTER 107. EQUIPMENT AND MACHINERY DEALERSHIPS

§ 4071. DEFINITIONS

As used in this chapter:

(1) "Current net price" means the price listed in the supplier's price list or ~~catalog~~ catalogue in effect at the time the dealer agreement is terminated, less any applicable discounts allowed.

(2)(A) "Dealer" means a person~~, corporation, or partnership~~ primarily engaged in the business of retail sales of ~~farm and utility tractors, farm implements, farm machinery, forestry equipment, industrial equipment, utility equipment, yard and garden equipment, attachments, accessories, and repair parts~~ inventory. ~~Provided however, "dealer" shall~~

(B) "Dealer" does not include a "single line dealer," a person primarily engaged in the retail sale and service of industrial, forestry, and construction equipment~~. "Single line dealer" means a person, partnership or corporation~~ who:

~~(A)~~(i) has purchased 75 percent or more of ~~the dealer's total new product~~ his or her new inventory from a single supplier; and

~~(B)~~(ii) has a total annual average sales volume for the previous three years in excess of ~~$15~~ $100 million for the entire territory for which the dealer is responsible.

(3) "Dealer agreement" means a written or oral ~~contract or~~ agreement between a dealer and a ~~wholesaler, manufacturer, or distributor~~ supplier by which the supplier gives the dealer ~~is granted~~ the right to sell or distribute goods or services or to use a trade name, trademark, service mark, logotype, or advertising or other commercial symbol.

(4) ~~"Inventory" means farm, utility, forestry, or industrial equipment, implements, machinery, yard and garden equipment, attachments, or repair parts. These terms do not include heavy construction equipment.~~

(A) "Inventory" means:

(i) farm, utility, forestry, yard and garden, or industrial:

(I) tractors;

(II) equipment;

(III) implements;

(IV) machinery;

(V) attachments;

(VI) accessories; and

(VII) repair parts;

(ii) snowmobiles, as defined in 23 V.S.A. § 3201(5), and snowmobile implements, attachments, garments, accessories, and repair parts; and

(iii) all-terrain vehicles, as defined in 23 V.S.A. § 3801(1), and all-terrain vehicle implements, attachments, garments, accessories, and repair parts.

(B) "Inventory" does not include heavy construction equipment.

(5) "Net cost" means the price the dealer paid the supplier for the inventory, less all applicable discounts allowed, plus the amount the dealer paid for freight costs from the supplier's location to the dealer's location. In the event of termination of a dealer agreement by the supplier, "net cost" shall include the reasonable cost of assembly or disassembly performed by a dealer.

(6) "Supplier" means a wholesaler, manufacturer, or distributor of inventory ~~as defined in this chapter~~ who enters into a dealer agreement with a dealer.

(7) "Termination" of a dealer agreement means the cancellation, nonrenewal, or noncontinuance of the agreement.

(8) "Coerce" means the failure to act in a fair and equitable manner in performing or complying with a provision of a dealer agreement; provided, however, that recommendation, persuasion, urging, or argument shall not be synonymous with coerce or lack of good faith.

(9) "Good faith" means honesty in fact and the observance of reasonable commercial standards of fair dealing, as interpreted under 9A V.S.A. § 1-201(B)(20).

§ 4072. ~~NOTICE OF TERMINATION OF DEALER AGREEMENTS~~

~~(a) Notwithstanding any agreement to the contrary, prior to the termination of a dealer agreement, a supplier shall notify the dealer of the termination not less than 120 days prior to the effective date of the termination. No supplier may terminate, cancel, or fail to renew a dealership agreement without cause. "Cause" means failure by an equipment dealer to comply with the requirements imposed upon the equipment dealer by the dealer agreement, provided the requirements are not substantially different from those requirements imposed upon other similarly situated equipment dealers in this State.~~

~~(b) The supplier may immediately terminate the agreement at any time upon the occurrence of any of the following events which in addition to the above definition of cause, are also cause for termination, cancellation, or failure to renew a dealership agreement:~~

~~(1) the filing of a petition for bankruptcy or for receivership either by or against the dealer;~~

~~(2) the making by the dealer of an intentional and material misrepresentation as to the dealer's financial status;~~

~~(3) any default by the dealer under a chattel mortgage or other security agreement between the dealer and the supplier;~~

~~(4) the commencement of voluntary or involuntary dissolution or liquidation of the dealer if the dealer is a partnership or corporation;~~

~~(5) a change or additions in location of the dealer's place of business as provided in the agreement without the prior written approval of the supplier; or~~

~~(6) withdrawal of an individual proprietor, partner, major shareholder, the involuntary termination of the manager of the dealership, or a substantial reduction in the interest of a partner or major shareholder without the prior written consent of the supplier.~~

~~(c) Unless there is an agreement to the contrary, a dealer who intends to terminate a dealer agreement with a supplier shall notify the supplier of that intent not less than 120 days prior to the effective date of termination.~~

~~(d) Notification required by this section shall be in writing and shall be made by certified mail or by personal delivery and shall contain:~~

~~(1) a statement of intention to terminate the dealer agreement;~~

~~(2) a statement of the reasons for the termination; and~~

~~(3) the date on which the termination shall be effective.~~

TERMINATION OF DEALER AGREEMENT

(a) Requirements for notice.

(1) A person shall provide a notice required in this section by certified mail or by personal delivery.

(2) A notice shall be in writing and shall include:

(A) a statement of intent to terminate the dealer agreement;

(B) a statement of the reasons for the termination, including specific reference to one or more requirements of the dealer agreement that serve as the basis for termination, if applicable; and

(C) the effective date of termination.

(b) Termination by a supplier for cause.

(1) In this subsection, "cause" means the failure of a dealer to meet one or more requirements of a dealer agreement, provided that the requirement is reasonable, justifiable, and substantially the same as requirements imposed on similarly situated dealers in this State.

(2) A supplier shall not terminate a dealer agreement except for cause.

(3) To terminate a dealer agreement for cause, a supplier shall deliver a notice of termination to the dealer at least 120 days before the effective date of termination.

(4) A dealer has 60 days from the date it receives a notice of termination to meet the requirements of the dealer agreement specified in the notice.

(5) If a dealer meets the requirements of the dealer agreement specified in the notice within the 60-day period, the dealer agreement does not terminate pursuant to the notice of termination.

(c) Termination by a supplier for failure to meet reasonable marketing or market penetration requirements.

(1) Notwithstanding subsection (b) of this section, a supplier shall not terminate a dealer agreement for failure to meet reasonable marketing or market penetration requirements except as provided in this subsection.

(2) A supplier shall deliver an initial notice of termination to the dealer at least 24 months before the effective date of termination.

(3) After providing an initial notice, the supplier shall work with the dealer in good faith to meet the reasonable marketing or market penetration requirements specified in the notice, including reasonable efforts to provide the dealer with adequate inventory and marketing programs that are substantially the same as those provided to dealers in this State or region, whichever is more appropriate under the circumstances.

(4) If the dealer fails to meet reasonable marketing or market penetration requirements specified in the notice by the end of the 24-month period, the supplier may terminate the dealer agreement by providing a final notice of termination not less than 90 days prior to the effective date of the termination.

(5) If a dealer meets the reasonable marketing or market penetration requirements within the 24-month period, the dealer agreement shall not terminate.

(d) Termination by a supplier upon a specified event. Notwithstanding subsection (b) of this section, a supplier may terminate immediately a dealer agreement if one of the following events occurs:

(1) A person files a petition for bankruptcy or for receivership on behalf of or against the dealer.

(2) The dealer makes an intentional and material misrepresentation regarding his or her financial status.

(3) The dealer defaults on a chattel mortgage or other security agreement between the dealer and the supplier.

(4) A person commences the voluntary or involuntary dissolution or liquidation of a dealer organized as a business entity.

(5) Without the prior written consent of the supplier:

(A) The dealer changes the business location specified in the dealer agreement or adds an additional dealership of the supplier's same brand.

(B) An individual proprietor, partner, or major shareholder withdraws from, or substantially reduces his or her interest in, the dealer.

(6) The dealer fails to operate in the normal course of business for eight consecutive business days, unless the failure to operate is caused by an emergency or other circumstances beyond the dealer's control.

(7) The dealer abandons the business.

(8) The dealer pleads guilty to or is convicted of a felony that is substantially related to the qualifications, function, or duties of the dealer.

(e) Termination by a dealer. Unless a provision of a dealer agreement provides otherwise, a dealer may terminate the dealer agreement by providing a notice of termination to the supplier at least 120 days before the effective date of termination.

* * *

§ 4074. REPURCHASE TERMS

(a)(1) Within 90 days from receipt of the written request of the dealer, a supplier under the duty to repurchase inventory pursuant to section 4073 of this title may examine any books or records of the dealer to verify the eligibility of any item for repurchase.

(2) Except as otherwise provided in this chapter, the supplier shall repurchase from the dealer the following items that the dealer previously purchased from the supplier, or other qualified vendor approved by the supplier, that are in the possession of the dealer on the date of termination of the dealer agreement:

(A) ~~all~~ inventory ~~previously purchased from the supplier in possession of the dealer on the date of termination of the dealer agreement~~; and

(B) required signage, special tools, books, manuals, supplies, data processing equipment, and software ~~previously purchased from the supplier or other qualified vendor approved by the supplier in the possession of the dealer on the date of termination of the dealer agreement~~.

(b) The supplier shall pay the dealer:

(1) 100 percent of the net cost of all new, ~~and~~ unsold, undamaged, and complete ~~farm and utility tractors, utility equipment, forestry equipment, industrial equipment, farm implements, farm machinery, yard and garden equipment, attachments, and accessories~~ inventory, other than repair parts, purchased from the supplier within the 30-month period preceding the date of termination, less a reasonable allowance for deterioration attributable to weather ~~conditions~~ exposure at the dealer's location.

(2) ~~90~~ 100 percent of the current net prices of all new and undamaged repair parts.

(3) ~~85~~ 95 percent of the current net prices of all new and undamaged superseded repair parts.

(4) ~~85~~ 95 percent of the latest available published net price of all new and undamaged noncurrent repair parts.

(5) Either the fair market value, or the supplier shall assume the lease responsibilities of, any specific data processing hardware that the supplier required the dealer to purchase to satisfy the reasonable requirements of the dealer agreement, including computer systems equipment and software required and approved by the supplier to communicate with the supplier.

(6) ~~Repurchase at~~ 75 percent of the net cost of specialized repair tools, signage, books, and supplies previously purchased, pursuant to requirements of the supplier and held by the dealer on the date of termination. ~~Specialized repair tools must be unique to the supplier's product line and must be complete and in usable condition.~~

(7) ~~Repurchase at average~~ Average as-is value shown in current industry guides~~,~~ for dealer-owned rental fleet financed by the supplier or its finance subsidiary, provided the equipment was purchased from the supplier within 30 months of the date of termination.

(c) The party that initiates the termination of the dealer agreement shall pay the cost of the return, handling, packing, and loading of the inventory. If the termination is initiated by the supplier, the supplier shall reimburse the dealer five percent of the net parts return credited to the dealer as compensation for picking, handling, packing, and shipping the parts returned to the supplier.

(d) Payment to the dealer required under this section shall be made by the supplier not later than 45 days after receipt of the inventory by the supplier. A

penalty shall be assessed in the amount of daily interest at the current New York prime rate plus three percent of any outstanding balance over the required 45 days. The supplier shall be entitled to apply any payment required under this section to be made to the dealer as a setoff against any amount owed by the dealer to the supplier.

§ 4075. EXCEPTIONS TO REPURCHASE REQUIREMENT

The provisions of this chapter shall not require a supplier to repurchase from a dealer:

(1) a repair part with a limited storage life or otherwise subject to physical or structural deterioration, including gaskets or batteries;

(2) a single repair part normally priced and sold in a set of two or more items;

(3) a repair part that, because of its condition, cannot be marketed as a new part without repackaging or reconditioning by the supplier or manufacturer;

(4) any inventory that the dealer elects to retain;

(5) any inventory ordered by the dealer after receipt of notice of termination of the dealer agreement by either the dealer or supplier; ~~or~~

(6) any inventory that was acquired by the dealer from a source other than the supplier unless the source was approved by the supplier;

(7) a specialized repair tool that is not unique to the supplier's product line, over 10 years old, incomplete, or in unusable condition;

(8) a part identified by the supplier as nonreturnable at the time of the dealer's order; or

(9) supplies that are not unique to the supplier's product line, over three years old, incomplete, or in unusable condition.

* * *

§ 4077a. ~~PROHIBITED ACTS~~

~~No supplier shall:~~

~~(1) coerce any dealer to accept delivery of any equipment, parts, or accessories therefor, which such dealer has not voluntarily ordered, except that a supplier may require a dealer to accept delivery of equipment, parts or accessories that are necessary to maintain equipment generally sold in the dealer's area of responsibility, and a supplier may require a dealer to accept delivery of safety-related equipment, parts, or accessories pertinent to equipment generally sold in the dealer's area of responsibility;~~

~~(2) condition the sale of any equipment on a requirement that the dealer also purchase any other goods or services, but nothing contained in this chapter shall prevent the supplier from requiring the dealer to purchase all parts reasonably necessary to maintain the quality of operation in the field of any equipment used in the trade area;~~

~~(3) coerce any dealer into a refusal to purchase the equipment manufactured by another supplier; or~~

~~(4) discriminate in the prices charged for equipment of like grade and quality sold by the supplier to similarly situated dealers, but nothing contained in this chapter shall prevent differentials which make only due allowance for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such equipment is sold or delivered by the supplier.~~

PROHIBITED ACTS

(a) A supplier shall not coerce or attempt to coerce a dealer to accept delivery of inventory that the dealer has not voluntarily ordered, except inventory that is:

(1) necessary to maintain inventory in a quantity, and of the model range, generally sold in the dealer's geographic area of responsibility; or

(2) safety-related and pertinent to inventory generally sold in the dealer's geographic area of responsibility.

(b) A supplier shall not condition the sale of inventory on a requirement that the dealer also purchase any other goods or services, provided that a supplier may require a dealer to purchase parts reasonably necessary to maintain inventory used in the dealer's geographic area of responsibility.

(c)(1) A supplier shall not prevent, coerce, or attempt to coerce a dealer from investing in, or entering into an agreement for the sale of, a competing product line or make of inventory.

(2) A supplier shall not require, coerce, or attempt to coerce a dealer to provide a separate facility or personnel for a competing product line or make of inventory.

(3) Subdivisions (1)–(2) of this subsection do not apply unless a dealer:

(A) maintains a reasonable line of credit for each product line or make of inventory;

(B) maintains the principal management of the dealer; and

(C) remains in substantial compliance with the supplier's reasonable facility requirements, which shall not include a requirement to provide a

separate facility or personnel for a competing product line or make of inventory.

(d) A supplier shall not discriminate in the prices it charges for inventory of like grade and quality it sells to similarly situated dealers, provided that a supplier may use differentials that allow for a difference in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the supplier sells or delivers the inventory.

(e) A supplier shall not change the geographic area of responsibility specified in a dealer agreement without good cause, which for purposes of this subsection includes the dealer's market penetration within the assigned geographic area of responsibility and changes in the inventory warranty registration pattern in the area surrounding the dealer's geographic area of responsibility.

§ 4078. WARRANTY OBLIGATIONS

(a) A supplier shall:

(1) specify in writing a dealer's reasonable obligation to perform warranty service on the supplier's inventory;

(2) provide the dealer a schedule of reasonable compensation for warranty service, including amounts for diagnostic work, parts, labor, and the time allowance for the performance of warranty service; and

(3) compensate the dealer pursuant to the schedule of compensation for the warranty service the supplier requires it to perform.

(b) Time allowances for the diagnosis and performance of warranty service shall be reasonable and adequate for the service to be performed by a dealer that is equipped to complete the requirements of the warranty service.

(c) The hourly rate paid to a dealer shall not be less than the rate the dealer charges to customers for nonwarranty service.

(d) A supplier shall compensate a dealer for parts used to fulfill warranty and recall obligations at a rate not less than the price the dealer actually paid the supplier for the parts plus 20 percent, plus freight and handling if charged by the supplier.

(e) The wholesale price on which a dealer's markup reimbursement is based for any parts used in a recall or campaign shall not be less than the highest wholesale price listed in the supplier's wholesale price catalogue within six months prior to the start of the recall or campaign.

(f)(1) Whenever a supplier and a dealer enter into an agreement providing consumer warranties, the supplier shall pay any warranty claim made for warranty parts and service within 30 days after its receipt and approval.

(2) The supplier shall approve or disapprove a warranty claim within 30 days after its receipt.

(3) If a claim is not specifically disapproved in writing within 30 days after its receipt, it shall be deemed to be approved and payment shall be made by the supplier within 30 days after its receipt.

(g) A supplier violates this section if it:

(1) fails to perform its warranty obligations;

(2) fails to include in written notices of factory recalls to machinery owners and dealers the expected date by which necessary parts and equipment will be available to dealers for the correction of such defects; or

(3) fails to compensate a dealer for repairs required by a recall.

(h) A supplier shall not:

(1) impose an unreasonable requirement in the process a dealer must follow to file a warranty claim; or

(2) impose a surcharge or fee to recover the additional costs the supplier incurs from complying with the provisions of this section.

§ 4079. REMEDIES

(a) A person damaged as a result of a violation of this chapter may bring an action against the violator in a Vermont court of competent jurisdiction for damages, together with the actual costs of the action, including reasonable attorney's fees, injunctive relief against unlawful termination~~, cancellation, nonrenewal,~~ or substantial change of competitive circumstances, and such other relief as the Court deems appropriate.

(b) A provision in a dealer agreement that purports to deny access to the procedures, forums, or remedies provided by the laws of this State is void and unenforceable.

(c) ~~Nothing contained in this chapter may prohibit~~ Notwithstanding subsection (b) of this section, a dealer agreement may include a provision for binding arbitration of disputes ~~in an agreement~~. Any arbitration shall be consistent with the provisions of this chapter and 12 V.S.A. chapter 192, and the place of any arbitration shall be in the county in which the dealer's principal place of business is maintained in this State.

* * *

Sec. 3. APPLICABILITY TO EXISTING DEALER AGREEMENTS

Notwithstanding 1 V.S.A. § 214, for a dealer agreement, as defined in 9 V.S.A. § 4071, that is in effect on or before July 1, 2016, the provisions of this act shall apply on July 1, 2016.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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.

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

H. 512.

House proposal of amendment to Senate bill entitled:

An act relating to adequate shelter of dogs and cats.

Was taken up.

The House concurs in the Senate proposal of amendment with further proposals of amendment as follows:

First: In Sec. 2, 13 V.S.A. § 365, by striking out subsection (f) in its entirety and inserting in lieu thereof the following:

(f) Tethering of dog.

(1) ~~A~~ Except as provided under subdivision (2) of this subsection, a dog ~~chained to a shelter must~~ maintained outdoors on a tether shall be on a tether ~~chain~~ or a trolley and cable system that is, in its entirety, at least four times the length of the dog as measured from the tip of its nose to the base of its tail, and ~~shall allow~~ that allows the dog access to the shelter.

(2) A dog regularly used in training or participation in competitive or recreational sled dog activities and housed outdoors in close proximity with other dogs may, if necessary for the safety of the dog, be maintained on a tether at least two times the length of the dog, as measured from the tip of its nose to the base of its tail.

(3) A tether used for any dog shall be attached to both the dog and the anchor using swivels or similar devices that prevent the tether from becoming entangled or twisted. The tether shall be attached to a well-fitted collar or harness on the dog. The tether shall be of a size and weight that will not cause discomfort to a tethered dog. A choke collar shall not be used as part of a

tethering method. The tether system shall function properly regardless of snow depth.

Second: By striking out Sec. 3-7 in their entirety and inserting in lieu thereof the following:

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2016.

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.

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 761.

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to cataloguing and aligning health care performance measures.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

In Sec. 1, in the first sentence before the words "the Vermont Medical Society" by inserting the words the Agency of Human Services and

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 Not Concurred In; Committee of Conference Requested

S. 216.

Appearing on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and Senate bill entitled:

An act relating to prescription drug formularies.

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. FINDINGS

The General Assembly finds that:

(1) The costs of prescription drugs have been increasing dramatically without any apparent reason.

(2) Containing health care costs requires containing prescription drug costs.

(3) In order to contain prescription drug costs, it is essential to understand the drivers of those costs, as transparency is typically the first step toward cost containment.

Sec. 2. 18 V.S.A. § 4635 is added to read:

§ 4635. PHARMACEUTICAL COST TRANSPARENCY

(a) As used in this section:

(1) "Manufacturer" shall have the same meaning as "pharmaceutical manufacturer" in section 4631a of this title.

(2) "Prescription drug" means a drug as defined in 21 U.S.C. § 321.

(b) The Green Mountain Care Board, in collaboration with the Department of Vermont Health Access, shall identify annually up to 15 prescription drugs on which the State spends significant health care dollars and for which the wholesale acquisition cost has increased by 50 percent or more over the past five years or by 15 percent or more over the past 12 months, creating a substantial public interest in understanding the development of the drugs' pricing. The drugs identified shall represent different drug classes, with some of the drugs being generic drugs, some brand-name drugs, and some specialty drugs. The Board shall provide the list of prescription drugs to the Office of the Attorney General.

(c)(1) For each prescription drug identified pursuant to subsection (b) of this section, the Office of the Attorney General shall require the drug's manufacturer to provide a justification for the increase in the wholesale acquisition cost of the drug in a format that the Attorney General determines to be understandable and appropriate. The manufacturer shall submit to the Office of the Attorney General all relevant information and supporting documentation necessary to justify the manufacturer's wholesale acquisition cost increase, including:

(A) all factors that have contributed to the wholesale acquisition cost increase;

(B) the percentage of the total wholesale acquisition cost increase attributable to each factor; and

(C) an explanation of the role of each factor in contributing to the wholesale acquisition cost increase.

(2) Nothing in this section shall be construed to restrict the legal ability of a prescription drug manufacturer to changes prices to the extent permitted under federal law.

(d) The Attorney General, in consultation with the Department of Vermont Health Access, shall provide a report to the General Assembly on or before December 1 of each year based on the information received from manufacturers pursuant to this section. The Attorney General shall also post the report on the Office of the Attorney General's website.

(e) Information provided to the Office of the Attorney General pursuant to this section is exempt from public inspection and copying under the Public Records Act and shall not be released in a manner that allows for the identification of an individual drug or manufacturer or that is likely to compromise the financial, competitive, or proprietary nature of the information.

Sec. 3. PRESCRIPTION DRUG FORMULARIES; RULEMAKING

On or before January 1, 2017, the Commissioner of Financial Regulation shall adopt rules pursuant to 3 V.S.A. chapter 25 to require all health insurers that offer health benefit plans to Vermont residents through the Vermont Health Benefit Exchange to provide information to enrollees, potential enrollees, and health care providers about the Exchange plans' prescription drug formularies. The rules shall ensure that the formulary is posted online in a standard format established by the Department of Financial Regulation; that the formulary is updated frequently and is searchable by enrollees, potential enrollees, and health care providers; and that it includes information about the prescription drugs covered, applicable cost-sharing amounts, drug tiers, prior authorization, step therapy, and utilization management requirements.

Sec. 4. 340B DRUG REIMBURSEMENT; REPORT

(a) The Department of Vermont Health Access shall:

(1) determine the formula used by other states' Medicaid programs to reimburse covered entities that use 340B pricing for dispensing prescription drugs to Medicaid beneficiaries;

(2) evaluate the advantages and disadvantages of using the same dispensing fee in its reimbursement formula for 340B prescription drugs as the Department uses to pay for non-340B prescription drugs under the Medicaid program; and

(3) identify the benefits of 340B drug pricing to consumers, other payers, and the overall health care system.

(b) On or before March 15, 2017, the Department shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding its findings and recommendations, including recommended modifications to Vermont's 340B reimbursement formula, if any, and the financial implications of implementing any recommended modifications.

Sec. 5. OUT-OF-POCKET PRESCRIPTION DRUG LIMITS; 2018 PILOT; REPORTS

(a) The Department of Vermont Health Access shall convene an advisory group to develop options for bronze-level qualified health benefit plans to be offered on the Vermont Health Benefit Exchange for the 2018 plan year, including:

(1) one or more plans with a higher out-of-pocket limit on prescription drug coverage than the limit established in 8 V.S.A. § 4089i; and

(2) one or more plans with an out-of-pocket limit at or below the limit established in 8 V.S.A. § 4089i.

(b) The advisory group shall include at least the following members:

(1) the Commissioner of Vermont Health Access or designee;

(2) a representative of each of the commercial health insurers offering plans on the Vermont Health Benefit Exchange;

(3) a representative of the Office of the Vermont Health Advocate;

(4) a member of the Medicaid and Exchange Advisory Board, appointed by the Commissioner;

(5) a representative of Vermont's AIDS services organizations;

(6) a consumer appointed by Vermont's AIDS services organizations;

(7) a representative of the American Cancer Society;

(8) a consumer appointed by the American Cancer Society; and

(9) a Vermont Health Connect navigator.

(c)(1) The advisory group shall meet at least six times prior to the Department submitting plan designs to the Green Mountain Care Board for approval.

(2) In developing the standard qualified health benefit plan designs for the 2018 plan year, the Department of Vermont Health Access shall present the

recommendations of the advisory committee established pursuant to subsection (a) of this section to the Green Mountain Care Board.

(d)(1) Prior to the date on which qualified health plan forms must be filed with the Department of Financial Regulation pursuant to 8 V.S.A. § 4062, a health insurer offering qualified health benefit plans on the Vermont Health Benefit Exchange shall seek approval from the Green Mountain Care Board to modify the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i for one or more nonstandard bronze-level plans. In considering an insurer's request, the Green Mountain Care Board shall provide an opportunity for the advisory group established in subsection (a) of this section, and any other interested party, to comment on the recommended modifications.

(2)(A) Notwithstanding any provision of 8 V.S.A. § 4089i to the contrary, the Green Mountain Care Board may approve modifications to the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i for one or more bronze-level plans for the 2018 plan year only.

(B) For the 2018 plan year, the Department of Vermont Health Access shall certify at least one standard bronze-level plan that includes the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i, as long as the plan complies with federal requirements. Notwithstanding any provision of 8 V.S.A. § 4089i to the contrary, the Department may certify one or more bronze-level qualified health benefit plans with modifications to the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i for the 2018 plan year only.

(e) On or before February 15, 2017, the Department of Vermont Health Access shall provide to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance:

(1) an overview of the cost-share increase trend for bronze-level qualified health benefit plans offered on the Vermont Health Benefit Exchange for the 2014 through 2017 plan years that were subject to the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i;

(2) detailed information regarding lower cost-sharing amounts for selected services that will be available in bronze-level qualified health benefit plans in the 2018 plan year due to the flexibility to increase the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i pursuant to subdivision (d)(2) of this section;

(3) a comparison of the bronze-level qualified health benefit plans offered in the 2018 plan year in which there will be flexibility in the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i with the plans in which there will not be flexibility;

(4) information about the process engaged in by the advisory group established in subsection (a) of this section and the information considered to determine modifications to the cost-sharing amounts in all bronze-level qualified health benefit plans for the 2018 plan year, including prior year utilization trends, feedback from consumers and health insurers, Health Benefit Exchange outreach and education efforts, and relevant national studies;

(5) cost-sharing information for standard bronze-level qualified health benefit plans from states with federally facilitated exchanges compared to those on the Vermont Health Benefit Exchange; and

(6) an overview of the outreach and education plan for enrollees in bronze-level qualified health benefit plans offered on the Vermont Health Benefit Exchange.

(f) On or before February 1, 2018, the Department of Vermont Health Access shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance:

(1) enrollment trends in bronze-level qualified health benefit plans offered on the Vermont Health Benefit Exchange; and

(2) recommendations from the advisory group established pursuant to subsection (a) of this section regarding continuation of the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i.

Sec. 6. EFFECTIVE DATE

(a) This bill shall take effect on passage.

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

An act relating to prescription drugs.

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. 216.

An act relating to prescription drug formularies.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Mullin
Senator Sirotkin
Senator Ashe

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. 224.

An act relating to warranty obligations of equipment dealers and suppliers.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Cummings
Senator Baruth
Senator Doyle

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

H. 512.

An act relating to adequate shelter of dogs and cats.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Ashe
Senator Sears
Senator Starr

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. 216, S. 224, H. 65, H. 308, H. 512, H. 876, H. 878.

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 Senators Doyle, Cummings and Pollina,

By Representative Ancel and others,

S.C.R. 43.

Senate concurrent resolution congratulating the Green Mountain United Way on its 40th anniversary.

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 Morrissey and others,

By Senators Campion and Sears,

H.C.R. 363.

House concurrent resolution in memory of former Representative and Senator John C. Page of Bennington and his wife, Marjorie Page.

By Representatives Sweaney and Bartholomew,

H.C.R. 364.

House concurrent resolution congratulating the Windsor High School team on winning the 2016 3D Vermont architecture competition.

By Representatives Sweaney and Bartholomew,

H.C.R. 365.

House concurrent resolution congratulating Windsor public schools' student winners of the 2016 State Science Fair.

By All Members of the House,

By Senators Ashe, Ayer, Balint, Baruth, Benning, Bray, Campbell, Campion, Collamore, Cummings, Degree, Doyle, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Riehle, Rodgers, Sears, Sirotkin, Starr, Westman, White and Zuckerman,

H.C.R. 366.

House concurrent resolution honoring Nancy Remsen, on the conclusion of her journalism career, as a fair, perceptive, and thoughtful reporter and editor.

By Representative Fagan and others,

By Senators Ashe, Ayer, Balint, Benning, Bray, Campbell, Campion, Collamore, Cummings, Degree, Doyle, Flory, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pollina, Sears, Sirotkin, Starr, Westman and White,

H.C.R. 367.

House concurrent expressing sincere appreciation for the presence of General Electric's Aviation and Healthcare units in Vermont and for their major contribution to the State's economy.

By Representative Morrissey and others,

By Senators Campion and Sears,

H.C.R. 368.

House concurrent resolution congratulating the 2016 Mt. Anthony Union High School Patriots State championship wrestling team.

By Representative O'Brien and others,

H.C.R. 369.

House concurrent resolution congratulating recent Vermont recipients of the Girl Scout Gold Award.

By Representative Wood and others,

H.C.R. 370.

House concurrent resolution welcoming Shen Yun Performing Arts to Vermont.

By Representative Head and others,

H.C.R. 371.

House concurrent resolution congratulating Dismas of Vermont on its 30th anniversary.

By Representative Briglin and others,

H.C.R. 372.

House concurrent resolution congratulating the Montshire Museum in Norwich on the 40th anniversary of its opening.

By Representative Morrissey and others,

By Senators Campion and Sears,

H.C.R. 373.

House concurrent resolution congratulating the Southwestern Vermont Medical Center for its award-winning renal care services.

By Representative Morrissey and others,

By Senators Campion and Sears,

H.C.R. 374.

House concurrent resolution congratulating the Southwestern Vermont Medical Center on its receipt of a fourth Magnet recognition.

By All Members of the House,

H.C.R. 375.

House concurrent resolution honoring James Harrison of Chittenden for his exemplary leadership of the Vermont Retail & Grocers Association.

By Representative Keenan and others,

By Senator Degree,

H.C.R. 376.

House concurrent resolution honoring Gary Rutkowski for his 40 years of outstanding editorial leadership at the *St. Albans Messenger*.

By Representative Marcotte and others,

By Senators Benning, Kitchel, Rodgers and Starr,

H.C.R. 377.

House concurrent resolution recognizing the economic vibrancy of the Northeast Kingdom.

By Representative Russell and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 378.

House concurrent resolution congratulating Rutland's United Neighborhoods Community Justice Center on its 15th anniversary.