

By Reps. McCormack and others,

H.C.R. 94.

House concurrent resolution designating March 29, 2017 as Turkish Cultural Day at the State House.

By Reps. O'Sullivan and others,

By Senators Baruth, Ingram and Lyons,

H.C.R. 95.

House concurrent resolution commending U.S. Armed Forces veterans honored at the Burlington Elks Lodge on Veterans Day 2016.

By Reps. Fagan and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 96.

House concurrent resolution congratulating the 2017 Rutland High School National and State championship cheerleading team.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, April 4, 2017, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 27.

TUESDAY, APRIL 4, 2017

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

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

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Fastiggi, Beth of Burlington - Commissioner of the Department of Human Resources - from March 27, 2017, to February 28, 2019.

To the Committee on Government Operations.

Wadhams, Emily of Burlington - Member of the Vermont Housing and Conservation Board, - from February 1, 2017, to January 31, 2020.

To the Committee on Economic Development, Housing and General Affairs.

Carroll, Karen R. of Vernon - Associate Justice of the Supreme Court - from April 1, 2017, to March 31, 2023.

To the Committee on Judiciary.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 29.

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

By Senator Ashe,

J.R.S. 29. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 7, 2017, it be to meet again no later than Tuesday, April 11, 2017.

Bill Referred

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

H. 111.

An act relating to vital records.

To the Committee on Government Operations.

Third Reading Ordered

H. 14.

Senator Benning, for the Committee on Judiciary, to which was referred Senate bill entitled:

An act relating to automated external defibrillators.

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.

Third Reading Ordered**J.R.S. 17.**

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

Joint resolution rescinding the General Assembly's request, contained in 2014 Acts and Resolves No. R-454, for Congress to convene a U.S. Constitutional Convention.

Reported that the joint resolution ought to be adopted.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, and third reading of the joint resolution was ordered on a roll call, Yeas 23, Nays 7.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Kitchel, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sirotkin, White.

Those Senators who voted in the negative were: Flory, Ingram, Lyons, Mullin, Sears, Starr, Westman.

Bills Passed in Concurrence

House bills of the following titles were severally read the third time and passed in concurrence:

H. 4. An act relating to calculating time periods in court proceedings.

H. 379. An act relating to providing an extension for the repeal of the Search and Rescue Council.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 5, 2017.

WEDNESDAY, APRIL 5, 2017

In the absence of the President (who was Acting Governor in the absence of the Governor) the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 40

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 516. An act relating to miscellaneous tax changes.

H. 518. An act relating to making appropriations for the support of government.

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

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. 494.

An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

Bill Referred to Committee on Finance**H. 497.**

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 health requirements for animals used in agriculture.

Bills Referred

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

H. 516.

An act relating to miscellaneous tax changes.

To the Committee on Finance.

H. 518.

An act relating to making appropriations for the support of government.

To the Committee on Appropriations.

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Thursday, April 6, 2017.

THURSDAY, APRIL 6, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Thomas Harty of Bethel.

Proposal of Amendment; Bill Passed in Concurrence**H. 42.**

House bill entitled:

An act relating to appointing municipal clerks and treasurers and to municipal audit penalties.

Was taken up.

Thereupon, pending third reading of the bill, Senators Clarkson, Ayer, Collamore, Pearson, Sears and White moved that the Senate propose to the House to amend the bill by striking out Sec. 4, 24 V.S.A. § 1686 (penalty) in its entirety and its reader assistance heading and inserting in lieu thereof the following:

Sec. 4. [Deleted.]

Which was agreed to.

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

Bill Passed in Concurrence

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

H. 14. An act relating to automated external defibrillators.

Joint Resolution Adopted on the Part of the Senate**J.R.S. 17.**

Joint Senate resolution of the following title:

Joint resolution rescinding the General Assembly's request, contained in 2014 Acts and Resolves No. R-454, for Congress to convene a U.S. Constitutional Convention.

Was taken up.

Thereupon, pending the question, Shall the joint resolution be adopted on the part of the Senate?, Senator Sears moved that the joint resolution be ordered to lie.

Thereupon, pending the question, Shall the Senate order the bill to lie? Senator Degree raised a *point of order* under Senate Rule No. 64 that the question was non-debatable.

Thereupon, the President *sustained* the point of order and ruled that pursuant to Senate Rule No. 64 the question was non-debatable.

Thereupon, the question, Shall the joint resolution be ordered to lie?, was disagreed to on a division of the Senate Yeas 9, Nays 20.

Thereupon, the joint Senate resolution was read the third time and adopted on the part of the Senate.

Third Readings Ordered**H. 35.**

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

An act relating to adopting the Uniform Voidable Transactions Act.

Reported that the bill ought to pass in concurrence.

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

H. 152.

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

An act relating to the Vermont Revised Uniform Fiduciary Access to Digital Assets Act.

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. 171.

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

An act relating to expungement.

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. § 7601 is amended to read:

§ 7601. DEFINITIONS

As used in this chapter:

(1) “Court” means the Criminal Division of the Superior Court.

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

(3) “Predicate offense” means a criminal offense that can be used to enhance a sentence levied for a later conviction, and includes operating a vehicle under the influence of intoxicating liquor or other substance in violation of 23 V.S.A. § 1201, domestic assault in violation of section 1042 of this title, and stalking in violation of section 1062 of this title. “Predicate offense” shall not include misdemeanor possession of marijuana or a disorderly conduct offense under section 1026 of this title.

(4) “Qualifying crime” means:

(A) a misdemeanor offense ~~which~~ that is not:

(i) a listed crime as defined in subdivision 5301(7) of this title;

(ii) an offense involving sexual exploitation of children in violation of chapter 64 of this title;

(iii) an offense involving violation of a protection order in violation of section 1030 of this title;

(iv) a prohibited act as defined in section 2632 of this title; or

(v) a predicate offense;

(B) a violation of subsection 3701(a) of this title related to criminal mischief;

(C) a violation of section 2501 of this title related to grand larceny; or

(D) a violation of section 1201 of this title related to burglary, excluding any burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title.

Sec. 2. 13 V.S.A. § 7602 is amended to read:

§ 7602. EXPUNGEMENT AND SEALING OF RECORD,
POSTCONVICTION; PROCEDURE

* * *

(b)(1) The ~~Court~~ court shall grant the petition and order that the criminal history record be expunged pursuant to section 7606 of this title if the following conditions are met:

(A) At least ~~10~~ five years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the conviction, or if the person has successfully completed the terms and conditions of an indeterminate term of probation that commenced at least ~~10~~ five years previously.

(B) The person has not been convicted of a crime arising out of a new incident or occurrence since the person was convicted for the qualifying crime.

(C) Any restitution ordered by the ~~Court~~ court has been paid in full.

(D) The ~~Court~~ court finds that expungement of the criminal history record serves the interest of justice.

(2) The ~~Court~~ court shall grant the petition and order that all or part of the criminal history record be sealed pursuant to section 7607 of this title if the conditions of subdivisions (1)(A), (B), and (C) of this subsection are met and the ~~Court~~ court finds that:

(A) sealing the criminal history record better serves the interest of justice than expungement; and

(B) the person committed the qualifying crime after reaching 19 years of age.

(c)(1) The ~~Court~~ court shall grant the petition and order that the criminal history record be expunged pursuant to section 7606 of this title if the following conditions are met:

(A) At least ~~20~~ 10 years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the

conviction.

(B) The person has not been convicted of a felony arising out of a new incident or occurrence since the person was convicted of the qualifying crime.

(C) The person has not been convicted of a misdemeanor during the past ~~15~~ five years.

(D) Any restitution ordered by the ~~Court~~ court for any crime of which the person has been convicted has been paid in full.

(E) After considering the particular nature of any subsequent offense, the ~~Court~~ court finds that expungement of the criminal history record for the qualifying crime serves the interest of justice.

(2) The ~~Court~~ court shall grant the petition and order that all or part of the criminal history record be sealed pursuant to section 7607 of this title if the conditions of subdivisions (1)(A), (B), (C), and (D) of this subsection are met and the ~~Court~~ court finds that:

(A) sealing the criminal history record better serves the interest of justice than expungement; and

(B) the person committed the qualifying crime after reaching 19 years of age.

~~(d) The Court shall grant the petition and order that the criminal history record be expunged in accordance with section 7606 of this title if the following conditions are met:~~

~~(1) The petitioner committed the qualifying crime or crimes prior to reaching 25 years of age.~~

~~(2) At least five years have elapsed since the date on which the person successfully completed the terms and conditions of the sentence for the conviction, or if the person has successfully completed the terms and conditions of an indeterminate term of probation that commenced at least five years previously.~~

~~(3) The person has not been convicted of a crime arising out of a new incident or occurrence since the person was convicted of the qualifying crime.~~

~~(4) The person successfully completed a term of regular employment or public service, independent of any service ordered as a part of the petitioner's sentence for the conviction, and as approved by the Community Justice Network of Vermont, which may include:~~

~~(A) community service hours completed without compensation, reparation of harm to the victim, or education regarding ways not to reoffend, or a combination of the three;~~

~~(B) at least one year of service in the U.S. Armed Forces, followed by an honorable discharge or continued service in good standing;~~

~~(C) at least one year of service in AmeriCorps or another local, state, national, or international service program, followed by successful completion of the program or continued service in good standing; or~~

~~(D) at least one year of regular employment.~~

~~(5) Any restitution ordered by the Court for any crime of which the person has been convicted has been paid in full.~~

~~(6) The Court finds that expungement of the criminal history record serves the interest of justice. [Repealed.]~~

(e) For petitions filed pursuant to subdivision (a)(1)(B) of this section, the ~~Court~~ court shall grant the petition and order that the criminal history record be expunged in accordance with section 7606 of this title if the following conditions are met:

(1) At least one year has elapsed since the completion of any sentence or supervision for the offense, whichever is later.

(2) Any restitution ordered by the ~~Court~~ court has been paid in full.

(3) The ~~Court~~ court finds that expungement of the criminal history record serves the interest of justice.

(f) For petitions filed pursuant to subdivision (a)(1)(B) of this section for a conviction for possession of a regulated drug under 18 V.S.A. chapter 84, subchapter 1 in an amount that is no longer prohibited by law or for which criminal sanctions have been removed:

(1) The petitioner shall bear the burden of establishing that his or her conviction was based on possessing an amount of regulated drug that is no longer prohibited by law or for which criminal sanctions have been removed.

(2) There shall be a rebuttable presumption that the amount of the regulated drug specified in the affidavit of probable cause associated with the petitioner's conviction was the amount possessed by the petitioner.

(g) Prior to granting an expungement or sealing under this section for petitions filed pursuant to subdivision 7601(4)(D) of this title, the ~~Court~~ court shall make a finding that the conduct underlying the conviction under section 1201 of this title did not constitute a burglary into an occupied dwelling, as defined in subdivision 1201(b)(2) of this title. The petitioner shall bear the burden of establishing this fact.

Sec. 3. 13 V.S.A. § 7605 is amended to read:

§ 7605. DENIAL OF PETITION

If a petition for expungement is denied by the ~~Court~~ court pursuant to this chapter, no further petition shall be brought for at least five years, unless a shorter duration is authorized by the court.

Sec. 4. 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 an order to expunge all records and files related to the arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation related to the sentence. The ~~Court~~ 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~~ 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. 5. EFFECTIVE DATE

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

Proposal of Amendment; Third Reading Ordered

H. 297.

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

An act relating to miscellaneous court operations procedures.

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. 4 V.S.A. § 357 is amended to read:

**§ 357. REGISTERS OF PROBATE; ~~APPOINTMENT AND REMOVAL;~~
COMPENSATION; CLERKS**

The ~~court administrator~~ Superior Court clerk or court operations manager, in consultation with the ~~probate~~ Probate judge, and following the approval of the Court Administrator, shall ~~appoint~~ hire a register of probate for each ~~district~~ unit. The ~~probate~~ Probate judge may request that the ~~court administrator~~ Court Administrator designate one or more staff persons as additional registers.

Sec. 2. 14 V.S.A. § 2 is amended to read:

**§ 2. DEPOSIT OF WILL FOR SAFEKEEPING; DELIVERY; FINAL
DISPOSITION**

(a) A testator may deposit a will for safekeeping in the Probate Division of the Superior Court for the district in which the testator resides on the payment to the ~~Court~~ court of the fee required by 32 V.S.A. § 1434(a)(17). The ~~register~~ Probate Division shall give to the testator a certificate of deposit, shall safely keep each will so deposited, and shall keep an index of the wills so deposited.

* * *

(c) During the life of the testator that will shall be delivered only to the testator, or in accordance with the testator's order in writing duly proved by oath of a subscribing witness, but the testator's duly authorized legal guardian may at any time inspect and copy the will in the presence of the judge, court operations manager, or register. ~~After the death of the testator it shall be delivered on demand to the person named in the indorsement.~~

* * *

Sec. 3. 15 V.S.A. § 816 is amended to read:

**§ 816. CERTIFICATE OF CHANGE; CORRECTION OF BIRTH AND
CIVIL MARRIAGE RECORDS**

Whenever a person changes his or her name, as provided in this chapter, he or she shall provide the ~~probate division of the superior court~~ Probate Division of the Superior Court with a copy of his or her birth certificate and, if married, a copy of his or her civil marriage certificate, and a copy of the birth certificate of each minor child, if any. The ~~register of with whom~~ Probate Division where the change of name is filed and recorded shall transmit the certificates and a certified copy of such instrument of change of name to the supervisor of vital records registration. The supervisor of vital records registration shall forward such instrument of change of name to the town clerk in the town where the person was born within the ~~state~~ State, or wherein the original certificate is

filed, with instructions to amend the original certificate and all copies thereof in accordance with the provisions of 18 V.S.A. chapter 101 ~~of Title 18~~. Such amended certificates shall have the words "Court Amended" stamped, written, or typed at the top and shall show that the change of name was made pursuant to this chapter.

Sec. 4. 15A V.S.A. § 6-102 is amended to read:

§ 6-102. RECORDS CONFIDENTIAL, ~~COURT RECORDS SEALED~~

* * *

(d) All records on file with the court or agency shall be retained permanently and ~~sealed~~ kept confidential for 99 years after the date of the adoptee's birth. ~~Sealed~~ Confidential records and indices are not open to inspection or copying by any person except as provided in this title.

(e) The records of an agency ~~which~~ that ceases operation in this ~~state~~ State shall be transferred to the ~~department~~ Department for retention under the provisions of this title.

Sec. 5. 27 V.S.A. § 341 is amended to read:

§ 341. REQUIREMENTS GENERALLY; RECORDING

(a) Deeds and other conveyances of lands, or of an estate or interest therein, shall be signed by the party granting the same and acknowledged by the grantor before a town clerk, notary public, master, or county clerk, ~~or judge or register of probate~~ and recorded at length in the clerk's office of the town in which such lands lie. Such ~~acknowledgement~~ acknowledgment before a notary public shall be valid without an official seal being affixed to his or her signature.

* * *

Sec. 6. 27 V.S.A. § 463 is amended to read:

§ 463. BY SEPARATE INSTRUMENT

(a) Mortgages may be discharged by an acknowledgment of satisfaction, executed by the mortgagee or his or her attorney, executor, administrator, or assigns, which shall be substantially in the following form:

I hereby certify that the following described mortgage is paid in full and satisfied, viz: _____ mortgagor to _____ mortgagee, dated _____ 20____, and recorded in book _____, page _____, of the land records of the town of _____.

(b) When such satisfaction is acknowledged before a town clerk, notary public, master, or county clerk, ~~or judge or register of probate~~ and recorded, it shall discharge such mortgage and bar actions brought thereon.

Sec. 7. 32 V.S.A. § 7449 is amended to read:

§ 7449. ~~REGISTER OF~~ PROBATE DIVISION TO SEND COMMISSIONER
NOTICE OF ESTATE

The ~~register of the~~ Probate ~~Court~~ Division shall send to the Commissioner by mail at the time of granting letters of administration in any estate and upon forms to be furnished by the Commissioner, the name of the decedent, the date of his or her death, and the name and address of the administrator or executor.

Sec. 8. REPEAL

12 V.S.A. chapter 216 (Windsor County Youth Court) is repealed.

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.

Third Reading Ordered

H. 201.

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

An act relating to length of stay at designated shelters.

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.

Message from the House No. 41

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 519. An act relating to capital construction and State bonding.

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. 29. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

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

FRIDAY, APRIL 7, 2017

The Senate was called to order by the President.

Devotional Exercises

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

Message from the House No. 42

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 368. An act relating to creating two temporary, part-time cold case investigator positions.

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. 69. An act relating to an employer's compliance with an income withholding order from another state.

And has passed the same in concurrence.

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

H.C.R. 97. House concurrent resolution designating April 4, 2017 as Pay Equity Day in Vermont.

H.C.R. 98. House concurrent resolution congratulating the 2017 Vermont Comcast Scholars.

H.C.R. 99. House concurrent resolution designating April 2017 as Fair Housing Month in Vermont.

H.C.R. 100. House concurrent resolution in memory of and tribute to Sally (Apalakian) Ovia of Rutland.

H.C.R. 101. House concurrent resolution honoring Richard A. Fletcher of Putney for his health care career achievements and civic leadership.

H.C.R. 102. House concurrent resolution designating April 2017 as the Month of the Military Child in Vermont.

H.C.R. 103. House concurrent resolution designating Tuesday, April 4, 2017 as National Service Day in Vermont.

H.C.R. 104. House concurrent resolution designating May 2017 as HOBY Youth Service Month in Vermont.

H.C.R. 105. House concurrent resolution congratulating 2017 New England wrestling champion Nick Johnson of Milton High School.

H.C.R. 106. House concurrent resolution congratulating the Vermont Supported Employment Program for Individuals with Developmental Disabilities on winning the 2017 Innovative Policy Award on Employment, Work, and Vocational Education.

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. 12. Senate concurrent resolution honoring Stanley Rosen of North Bennington for his significant and continuing contributions to the ceramic arts.

And has adopted the same in concurrence.

Rules Suspended; Bill Committed

H. 218.

Appearing on the Calendar for notice, on motion of Senator Starr, the rules were suspended and House bill entitled:

An act relating to the adequate shelter of dogs and cats.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Agriculture, Senator Starr moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Judiciary with the report of the Committee on Agriculture *intact*,

Which was agreed to.

**Message from the Governor
Appointment Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to a committee as indicated:

Knight, Wendy of Panton - Commissioner of the Department of Tourism and Marketing - from March 31, 2017, to February 28, 2019.

To the Committee on Economic Development, Housing and General Affairs.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 146.

By Senators Pearson and Ayer,

An act relating to prescription drug pricing standards for State purchasers.

To the Committee on Health and Welfare.

S. 147.

By Senators Lyons, Sirotkin, Ashe, Balint, Kitchel, Pearson and Sears,

An act relating to privacy and data security rules applicable to telecommunications service providers, including Internet service providers.

To the Committee on Finance.

Bills Referred

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

H. 368.

An act relating to creating two temporary, part-time cold case investigator positions.

To the Committee on Government Operations.

H. 519.

An act relating to capital construction and State bonding.

To the Committee on Institutions.

Bills Passed in Concurrence

House bills of the following titles were severally read the third time and passed in concurrence:

H. 35. An act relating to adopting the Uniform Voidable Transactions Act.

H. 152. An act relating to the Vermont Revised Uniform Fiduciary Access to Digital Assets Act.

H. 201. An act relating to length of stay at designated shelters.

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 171. An act relating to expungement.

H. 297. An act relating to miscellaneous court operations procedures.

Third Reading Ordered**H. 290.**

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

An act relating to clarifying ambiguities relating to real estate titles and conveyances.

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.

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 Reps. Botzow and others,

S.C.R. 12.

Senate concurrent resolution honoring Stanley Rosen of North Bennington for his significant and continuing contributions to the ceramic arts.

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 Reps. Burke and others,

H.C.R. 97.

House concurrent resolution designating April 4, 2017 as Pay Equity Day in Vermont.

By Reps. Johnson and others,

H.C.R. 98.

House concurrent resolution congratulating the 2017 Vermont Comcast Scholars.

By Reps. Head and others,

H.C.R. 99.

House concurrent resolution designating April 2017 as Fair Housing Month in Vermont.

By Reps. Cupoli and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 100.

House concurrent resolution in memory of and tribute to Sally (Apalakian) Ovian of Rutland.

By Reps. Hebert and others,

By Senators Balint and White,

H.C.R. 101.

House concurrent resolution honoring Richard A. Fletcher of Putney for his health care career achievements and civic leadership.

By Reps. Head and others,

H.C.R. 102.

House concurrent resolution designating April 2017 as the Month of the Military Child in Vermont.

By All Members of the House,

H.C.R. 103.

House concurrent resolution designating Tuesday, April 4, 2017 as National Service Day in Vermont.

By Rep. Sibia,

H.C.R. 104.

House concurrent resolution designating May 2017 as HOBY Youth Service Month in Vermont.

By Reps. Turner and others,

H.C.R. 105.

House concurrent resolution congratulating 2017 New England wrestling champion Nick Johnson of Milton High School.

By Reps. Wood and others,

H.C.R. 106.

House concurrent resolution congratulating the Vermont Supported Employment Program for Individuals with Developmental Disabilities on winning the 2017 Innovative Policy Award on Employment, Work, and Vocational Education.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, April 11, 2017, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 29.

TUESDAY, APRIL 11, 2017

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.

Committee Relieved of Further Consideration; Bill Committed**H. 368.**

On motion of Senator Ashe, the Committee on Government Operations was relieved of further consideration of House bill entitled:

An act relating to creating two temporary, part-time cold case investigator positions,

and the bill was committed to the Committee on Rules.

Committee Relieved of Further Consideration; Bill Committed

S. 118.

On motion of Senator Bray, the Committee on Natural Resources and Energy was relieved of further consideration of Senate bill entitled:

An act relating to making building energy performance visible,

and the bill was committed to the Committee on Finance.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 30.

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

By Senator Ashe,

J.R.S. 30. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 14, 2017, it be to meet again no later than Tuesday, April 18, 2017.

Message from the House No. 43

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

Mr. President:

I am directed to inform the Senate that:

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

S. 7. An act relating to deferred sentences and the sex offender registry.

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 bills originating in the Senate of the following titles:

S. 5. An act relating to plea agreements.

S. 39. An act relating to the repeal of the crime of obtaining maps and plans while at war.

S. 60. An act relating to the repeal of 21 V.S.A. § 6.

And has passed the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, April 12, 2017.

WEDNESDAY, APRIL 12, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Adrianne Carr of Mallets Bay.

Message from the Governor Appointments Referred

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Robillard, David of Troy - Member of the Fish and Wildlife Board - from April 5, 2017, to February 28, 2023.

To the Committee on Natural Resources and Energy.

Wiles, Brian J. of Forest Dale - Member of the Fish and Wildlife Board - from April 5, 2017, to February 28, 2023.

To the Committee on Natural Resources and Energy.

Bill Introduced

Senate bill of the following title was introduced, read the first time and referred:

S. 148.

By Senator Campion (By Request),

An act relating to daylight saving time.

To the Committee on Economic Development, Housing and General Affairs.

Bill Referred

Pursuant to Temporary Rule 44A the following bill having failed to meet cross-over and being referred to the Committee on Rules now having received an exemption from the Committee on Rules is hereby referred to its respective committee of jurisdiction:

H. 386. An act relating to home health agency provider taxes.

To the Committee on Finance.

Bill Passed in Concurrence**H. 290.**

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

An act relating to clarifying ambiguities relating to real estate titles and conveyances.

Third Reading Ordered**H. 85.**

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

An act relating to captive insurance companies.

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.

Proposals of Amendment; Third Reading Ordered**H. 182.**

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

An act relating to certain businesses regulated by the Department of Financial Regulation.

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

First: By striking out Sec. 14 (segregated accounts of money transmitters) in its entirety and by inserting in lieu thereof a new Sec. 14 to read as follows:

Sec. 14. [DELETED.]

Second: By striking out Sec. 15 (segregated accounts of money transmitters) in its entirety and inserting in lieu thereof a new Sec. 15 to read as follows:

Sec. 15. [DELETED.]

Third: In Sec. 18, 8 V.S.A. § 2200, by striking out the newly renumbered subdivision 17 (loan solicitation) in its entirety and by inserting in lieu thereof a new subdivision 17 to read as follows:

(15)(17)(A) “Loan solicitation” means, for compensation or gain or with the expectation of compensation or gain, to:

(i) offer, solicit, broker, directly or indirectly arrange, place, or find a loan for a prospective Vermont borrower;

(ii) engage in any activity intended to assist a prospective Vermont borrower in obtaining a loan, including lead generation;

(iii) arrange, in whole or in part, a loan through a third party, regardless of whether approval, acceptance, or ratification by the third party is necessary to create a legal obligation for the third party, through any method, including mail, telephone, Internet, or any electronic means; or

(iv) advertise or cause to be advertised in this State a loan or any of the services described in subdivisions (i)–(iii) of this subdivision (17)(A).

(B) As used in this subdivision (17), “loan solicitation” does not:

(i) apply to residential mortgage loans;

(ii) include a broker-dealer registered or exempt from registration under 9 V.S.A. § 5401 when the broker-dealer provides the services described in subdivision (A) of this subdivision (17) and the broker-dealer is not compensated by the consumer for those services;

(iii) include an agent registered or exempt from registration under 9 V.S.A. § 5402 when the agent provides the services described in subdivision (A) of this subdivision (17) and the individual agent is not compensated by the consumer for those services;

(iv) include an insurance producer licensed under 8 V.S.A. § 4800 when the insurance producer provides the services described in subdivision (A) of this subdivision (17) and the individual insurance producer is not compensated by the consumer for those services;

(v) include a seller of goods or services that provides the services described in subdivision (A) of this subdivision (17) in connection with financing the sale or proposed sale of the seller’s goods or services and the seller is not compensated by the consumer for the services described in subdivision (A) of this subdivision (17); or

(vi) include other categories of loans or service providers as determined by the Commissioner by rule or order.

Fourth: In Sec. 19, 8 V.S.A. § 2201, in subdivision (a)(5) (loan solicitation), after the words “A person licensed as a lender” by inserting the following: , sales finance company,

Fifth: In Sec. 32 (effective dates), by striking out the following: “14 (money transmitter segregated accounts),”

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. 494.

Senator Mazza, for the Committee on Transportation, to which was referred House bill entitled:

An act relating to the Transportation 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:

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation’s proposed fiscal year 2018 Transportation Program appended to the Agency of Transportation’s proposed fiscal year 2018 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” means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

* * * Department of Motor Vehicles * * *

Sec. 2. DEPARTMENT OF MOTOR VEHICLES

(a) For fiscal year 2018, spending authority for the Department of Motor Vehicles is amended as follows:

<u>FY18</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Personal Services	18,395,579	18,395,579	0
Operating Expense	11,106,337	10,906,337	-200,000
Total	29,501,916	29,301,916	-200,000
<u>Sources of Funds</u>			
State	27,973,478	27,773,478	-200,000
Federal	1,423,438	1,423,438	0
Interdept. Transfer	105,000	105,000	0
Total	29,501,916	29,301,916	-200,000

(b) If the requirement that the Department of Motor Vehicles issue one license plate instead of two license plates for most motor vehicles registered in Vermont results within fiscal year 2018 in cost savings that exceed \$200,000.00, fiscal year 2018 spending authority of transportation funds for the Department of Motor Vehicles is further reduced to the extent of the cost savings in excess of \$200,000.00.

* * * State Highway Bridge Program * * *

Sec. 2a. PROGRAM DEVELOPMENT – STATE HIGHWAY BRIDGE PROGRAM

The following project is added to the development and evaluation (D&E) list of the Program Development – State Highway Bridge Program within the fiscal year 2018 Transportation Program: NH 020-2 () – Quechee – Rehab of Bridge 61 on U.S. Route 4 in the town of Hartford over the Ottauquechee River. To the extent funds become available as a result of the unanticipated delay of or cost savings on projects in the fiscal year 2018 Transportation Program, the funds may be spent as necessary for D&E of this project.

* * * Bike and Pedestrian Facilities Program; Lamoille Valley Rail Trail * * *

Sec. 3. REPEAL

(a) 2016 Acts and Resolves No. 158, Sec. 9a (Bike and Pedestrian Facilities Program; Lamoille Valley Rail Trail) is repealed.

(b) In the Program Development – Bike and Pedestrian Facilities Program section of the Agency’s fiscal year 2018 proposed Transportation Program,

within the project information description for the Swanton–St. Johnsbury LVRT() project, the projected cash requirement fields are amended as follows:

(1) under “Projected FY 2019,” the estimated amount of construction expenditures and the total expenditures is amended from “980,000” to “1,000,000”;

(2) under “Projected FY 2020,” the estimated amount of construction expenditures and the total expenditures is amended from “0” to “1,000,000”; and

(3) under “Projected FY 2021,” the estimated amount of construction expenditures and the total expenditures is amended from “0” to “1,000,000.”

* * * Maintenance Program * * *

Sec. 4. MAINTENANCE

For fiscal year 2018, spending authority for the Maintenance Program is amended as follows:

<u>FY18</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Personal Services	45,558,652	43,638,652	-1,920,000
Operating Expense	45,265,393	45,265,393	0
Grants	421,780	421,780	0
Total	91,245,825	89,325,825	-1,920,000
<u>Sources of Funds</u>			
State	87,376,083	87,376,083	0
Federal	3,769,742	1,849,742	-1,920,000
Interdept. Transfer	100,000	100,000	0
Total	91,245,825	89,325,825	-1,920,000

* * * Town Aid Programs * * *

Sec. 5. TOWN HIGHWAY CLASS 2 ROADWAY PROGRAM

(a) For fiscal year 2018, spending authority for the Town Highway Class 2 Roadway Program is amended as follows:

<u>FY18</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	7,248,750	7,848,750	600,000
Total	7,248,750	7,848,750	600,000
<u>Sources of funds</u>			
State	7,248,750	7,848,750	600,000
Federal	0	0	0
Total	7,248,750	7,848,750	600,000

(b) If the requirement that the Department of Motor Vehicles issue one license plate instead of two license plates for most motor vehicles registered in Vermont results within fiscal year 2018 in cost savings that exceed \$200,000.00, spending authority of transportation funds for the fiscal year 2018 Town Highway Class 2 Roadway Program is further increased to the extent of the cost savings in excess of \$200,000.00.

Sec. 6. TOWN HIGHWAY FEDERAL DISASTERS PROGRAM

Spending authority for the fiscal year 2018 Town Highway Federal Disasters Program is amended as follows:

<u>FY18</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Grants	200,000	180,000	-20,000
Total	200,000	180,000	-20,000
<u>Sources of funds</u>			
State	20,000	20,000	0
Federal	180,000	160,000	-20,000
Total	200,000	180,000	-20,000

* * * Transportation Alternatives Program * * *

Sec. 7. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

* * *

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency, and shall be funded in the amount provided for in 23 U.S.C. § ~~213(a)~~ 133(h), less the funds set aside for the Recreational Trails Program as ~~specified in 23 U.S.C. § 213(f)~~. Awards shall be made to eligible entities as defined under 23 U.S.C. § ~~213(e)(4)~~ 133(h), and awards under the Grant Program shall be limited to the activities ~~described at 23 U.S.C. § 213(b) other than Recreational Trails Program grants~~ authorized under federal law.

(d) Eligible entities awarded a grant must provide all funds required to match federal funds awarded for a Transportation Alternatives project. All grant awards shall be decided and awarded by the Transportation Alternatives Grant Committee.

(e) Transportation Alternatives grant awards shall be announced annually by the Transportation Alternatives Grant Committee not earlier than December and not later than the following March.

(f)(1) In fiscal years 2018 and 2019, all Grant Program funds shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.

(2) ~~Each~~ In fiscal year 2020 and thereafter, \$1,100,000.00 of Grant Program funds, or such lesser sum if all eligible applications amount to less than \$1,100,000.00, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects. Regarding the balance of Grant Program funds, in evaluating applications for Transportation Alternatives grants, the Transportation Alternatives Grant Committee shall give preferential weighting to projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Transportation Alternatives Grant Committee.

* * *

Sec. 8. MUNICIPAL MITIGATION ASSISTANCE PROGRAM

Authorized spending in the Municipal Mitigation Assistance Program for fiscal year 2018 is amended as follows:

<u>FY18</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Operating Expenses	150,000	150,000	0
Grants	8,032,342	9,032,342	1,000,000
Total	8,182,342	9,182,342	1,000,000
<u>Sources of Funds</u>			
State	1,640,000	1,240,000	-400,000
Federal	5,442,342	5,442,342	0
Clean Water Fund	1,100,000	1,100,000	0
Other	0	1,400,000	1,400,000
Total	8,182,342	9,182,342	1,000,000

Sec. 9. FUTURE APPROPRIATIONS; REPEAL

2016 Acts and Resolves No. 158, Sec. 5 (future appropriations) is repealed.

Sec. 10. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

* * *

(c) State aid for town highway bridges. There shall be an annual appropriation for town bridge engineering services and for aid in maintaining or constructing bridges having a span of six feet or more on class 1, 2, and 3 town highways. Annually the Agency shall ~~distribute~~ expend these funds according to ~~a the Transportation Program plan based upon applications submitted by the towns~~ approved by the General Assembly. With the approval of the Agency, funds may be used for alternatives which eliminate the need for a bridge or bridges, including construction or reconstruction of highways,

purchase of parcels of land that would be landlocked by closure of a bridge or bridges, payment of damages for loss of highway access, and substitution of other means of access.

* * *

(i) ~~Monies disbursed from the Clean Water Fund established in 10 V.S.A. § 1388 for~~ The Agency shall administer the Municipal Mitigation Assistance Program. Through the Program, the Agency shall provide assistance and grants to municipalities for environmental mitigation projects related to stormwater and highways shall be administered by the Agency through the Municipal Mitigation Grant Program and for the establishment and operation of stormwater utilities. Grants provided to municipalities under the Program shall be matched by Municipalities shall match grants with local funds sufficient to cover 20 percent of the project costs, except that the Agency may issue grants for the establishment or operation of stormwater utilities without requiring a local match. From the operating expenses appropriated for the Program, the Agency is authorized to pay costs billed to the Agency by municipal stormwater utilities.

* * *

* * * Central Garage * * *

Sec. 11. TRANSFER TO CENTRAL GARAGE FUND

Notwithstanding 19 V.S.A. § 13(c), in fiscal year 2018, the amount of \$1,296,047.00 is transferred from the Transportation Fund to the Central Garage Fund created in 19 V.S.A. § 13.

* * * Transportation Program Terminology * * *

Sec. 12. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(16) Inform the Joint Transportation Oversight Committee of any anticipated loss or reduction of federal funding for transportation purposes due to either a lack of State funds for matching, or a decrease in federal funds for the ~~one-year capital program~~ Transportation Program.

* * *

Sec. 13. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;
ADVANCEMENTS, CANCELLATIONS, AND DELAYS

(a) The Agency of Transportation shall annually present to the General Assembly a multiyear Transportation Program covering the same number of years as the Statewide Transportation Improvement ~~Plan~~ Program (STIP), consisting of the recommended budget for all Agency activities for the ensuing fiscal year and projected spending levels for all Agency activities for the following fiscal years. The Program shall include a description and year-by-year breakdown of recommended and projected funding of all projects proposed to be funded within the time period of the STIP and, in addition, a description of all projects that are not recommended for funding in the first fiscal year of the proposed Program but which are scheduled for construction during the time period covered by the STIP. The Program shall be consistent with the planning process established by 1988 Acts and Resolves No. 200, as codified in 3 V.S.A. chapter 67 and 24 V.S.A. chapter 117, the statements of policy set forth in sections 10b–10f of this title, and the long-range systems plan, corridor studies, and project priorities developed through the capital planning process under section 10i of this title.

* * *

Sec. 14. 19 V.S.A. § 1512 is amended to read:

§ 1512. UTILITY RELOCATIONS

(a) When relocation of a utility is required by a project for the improvement, construction, or reconstruction of a highway under the provisions of this chapter, the ~~agency~~ Agency or a municipality, or both, may pay for some or all of the cost of the relocation.

(b) The ~~agency~~ Agency, following the procedures set forth in 3 V.S.A. chapter 25, shall adopt rules setting standards for determining when and to what extent the authority granted by subsection (a) of this section may be exercised. These standards shall take into account the following:

* * *

(4) the overall effect on the ~~state's transportation capital program~~ State's Transportation Program of using available highway construction funds for utility relocation purposes.

* * * Automated Vehicles * * *

Sec. 15. AUTOMATED VEHICLES

(a) On or before December 15, 2017, the Secretary shall convene a meeting of public and private stakeholders with expertise related to:

(1) the licensing of automated vehicle (AV) operators and the registration of AVs;

(2) AV operator education and training;

(3) insurance and liability issues related to AVs;

(4) enforcement of laws governing AV operation;

(5) inspections of AVs;

(6) testing of AVs in Vermont;

(7) emergency response practices in relation to AVs;

(8) infrastructure needs associated with the rollout of AVs; and

(9) social, economic, and environmental consequences of the rollout of AVs.

(b) The purpose of the meeting required under subsection (a) of this section is to gather information related to and raise awareness of opportunities and challenges related to AVs, and identify policy areas requiring further research or possible legislation. On or before January 15, 2018, the Secretary shall report back to the House and Senate Committees on Transportation on its activities and any recommendations related to AVs, including any proposed legislation.

(c) The Secretary shall monitor guidance from the federal government, activities in other states, and industry trends related to the development and rollout of AVs.

* * * Park and Rides * * *

Sec. 16. 19 V.S.A. chapter 5 is amended to read:

CHAPTER 5. CONDEMNATION FOR STATE HIGHWAY PROJECTS

§ 500. INTENT

The purpose of this chapter is to ensure that a property owner receives fair treatment and just compensation when the owner's property is taken for State highway projects, and that condemnation proceedings are conducted expeditiously so that highway projects in the public interest are not unnecessarily delayed.

§ 501. DEFINITIONS

The following words and phrases as used in this chapter shall have the following meanings:

* * *

(4) "Highway" shall include park and rides.

* * *

* * * Distribution of Public Transit Program Funds * * *

Sec. 17. 24 V.S.A. § 5091 is amended to read:

§ 5091. FUNDING

(a) The Secretary of Transportation, within the annual budget setting process, shall meet with the Public Transit Advisory Council and representatives of public transit systems to establish the level of State funds needed by public transit systems in Vermont, and shall consider this level in formulating the Agency of Transportation's ~~State Budget request~~ proposed Transportation Program.

(b) State funds authorized by the ~~Legislature~~ General Assembly as grant assistance for the operation of public transit services shall be eligible for use as a matching source for federal funds.

(c) The same fiscal accountability requirements and regulatory standards shall apply to all grantees of funds as provided by rule of the Secretary of Transportation.

(d) Rideshare, capital, contracted services, and transportation brokerage services are not to be considered as operating funds under this section.

(e) State funds shall be paid ~~on a semi-annual payment basis to eligible grantees with the first payment paid immediately upon approval of the contract and the second payment to occur at the start of the third quarter of the State fiscal year as follows:~~

(1) the first payment of 50 percent of the estimated annual fiscal year total shall be paid immediately upon execution of the grant;

(2) subsequent payments shall be paid quarterly based on projected need determined by current fiscal year spending and availability of funds;

(3) additional payments, if necessary, shall occur only if actual costs exceed the previous payments and if funds are available.

* * *

* * * Highways; Utility Facilities * * *

Sec. 18. 19 V.S.A. § 1111 is amended to read:

§ 1111. PERMITTED USE OF THE RIGHT-OF-WAY; RELOCATION OR ADJUSTMENT ORDERS

(a) Permits; relocation or adjustment orders.

(1) Permits must be obtained by anyone or any corporation wishing to use as described in this section any part of the highway right-of-way on either the State or town system. Notwithstanding any other statutory requirement, a permit shall be required for any use of any highway right-of-way, consistent with the provisions of this section. In issuing a permit under this section for a use of a State highway right-of-way, the Secretary may require a transportation impact fee in accordance with 10 V.S.A. chapter 151, subchapter 5. Except for this transportation impact fee authority of the Secretary, the authority given to the Board, the Secretary, and the Attorney General under this section shall also apply to the legislative bodies of towns, or their designees.

(2) Except in emergencies, the Agency or the municipality shall seek input and consider input received from affected utilities before issuing a utility relocation or adjustment order. In specifying the times for utility relocation or adjustment work, the Agency or the municipality shall allocate to each a reasonable time for its role in the relocation or adjustment work after taking into account:

(A) the season of the year; and

(B) the respective duties and responsibilities of the pole or conduit owner and the involved utilities, including the need to install, transfer, or retire individual components in a specific sequence.

(3) When the Agency or a municipality issues a utility relocation or adjustment order in accordance with law in connection with highway maintenance or construction activities, and a utility fails to move or adjust its line or other facility within the time specified in the order, that utility shall be liable to the State or to the municipality for damages that the State or the municipality is required to pay a contractor for delay caused by the failure. However, a utility shall not be liable for such damages if its failure to move or adjust the line or facility is for reasons beyond its control, including: emergency restoration activities; inclement weather; timing restrictions imposed by law or permits; terms of collective bargaining agreements; or the failure of another utility to complete its assigned responsibilities for the installation, transfer, or retirement of its facilities. If the Agency or the selectboard cannot agree with a utility as to whether the utility is liable or as to the amount of damages under this subdivision (a)(3), the Agency or selectboard may bring an action in accordance with subsection (h) of this section.

* * *

(h) Restraining prohibited acts; damages. Whenever the Secretary believes that any person is in violation of the provisions of this chapter, he or she may also bring an action in the name of the Agency in a court of competent

jurisdiction against the person to collect civil penalties as provided for in subsection (j) of this section ~~and, for damages, and~~ to restrain by temporary or permanent injunction the continuation or repetition of the violation. The selectboard shall have the same authority for town highways. The Court may issue temporary or permanent injunctions without bond, and any other relief as may be necessary and appropriate for abatement of any violation. An action, injunction, or other enforcement proceeding by a municipality relating to the failure to obtain or comply with the terms and conditions of any permit issued by a municipality pursuant to this section shall be instituted within 15 years from the date the alleged violation first occurred and not thereafter. The burden of proving the date on which the alleged violation first occurred shall be on the person against whom the enforcement action is instituted.

* * *

* * * Effective Dates * * *

Sec. 19. EFFECTIVE DATES AND RETROACTIVITY

(a) This section, Sec. 9 (future appropriations; repeal), and Sec. 15 (automated vehicles) shall take effect on passage. Notwithstanding 1 V.S.A. § 214, Sec. 9 shall apply retroactively to July 1, 2016.

(b) All other sections shall take effect on July 1, 2017.

And that the bill ought to pass in concurrence with such proposal 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 Transportation with the following amendments thereto:

First: In Sec. 2 (Department of Motor Vehicles), by striking out subsection (b) in its entirety and by removing the subsection (a) designation

Second: In Sec. 5 (Town Highway Class 2 Roadway Program), by striking out subsection (b) in its entirety and by removing the subsection (a) designation

Third: By adding a new section to be numbered Sec. 4a and a reader assistance thereto to read as follows:

* * * License Plate Savings * * *

Sec. 4a. SAVINGS RELATED TO SINGLE LICENSE PLATES; ANALYSIS; SPENDING AUTHORITY

(a) Secs. 2 and 5 of this act reallocate \$200,000.00 in spending authority from the Department of Motor Vehicles (DMV) to the Town Highway Class 2

Roadway Program as result of cost savings projected to result from the requirement that DMV issue one license plate instead of two license plates for most motor vehicles registered in Vermont.

(b) On or before December 1, 2017, the Commissioner of Motor Vehicles shall provide the House and Senate Committees on Appropriations and on Transportation an updated analysis of cost savings projected to result in fiscal year 2018 from requiring one license plate. If the cost savings are projected to exceed \$200,000.00, the Administration shall propose in its fiscal year 2018 Budget Adjustment Act submission an increase in spending authority for the Town Highway Class 2 Roadway Program for fiscal year 2018, and a decrease in spending authority for the Department of Motor Vehicles for fiscal year 2018, to the extent the savings are projected to exceed \$200,000.00.

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, the proposal of amendment recommended by the Committee on Transportation, as amended, was agreed to and third reading of the bill was ordered.

Joint Resolution Amended; Third Reading Ordered

J.R.S. 18.

Senator Ashe, for the Committee on Judiciary, to which was referred joint Senate resolution entitled:

Joint resolution in support of combating the rise in hate crimes and bigotry.

Reported recommending that the joint resolution be amended by striking out the resolution in its entirety following the title and inserting in lieu thereof the following:

Whereas, since the election cycle of 2016, there has been an increase in hate crimes throughout the nation, and

Whereas, according to the Southern Poverty Law Center, during the ten days following the election, there were nearly 900 reports of harassment and intimidation throughout the country, and

Whereas, Vermont is in a unique position to lead the country in fighting bigotry and hatred, and

Whereas, members of the lesbian, gay, bisexual, transgender, and queer or questioning (LGBTQ) community are concerned that rights and protections won over the years may be lost, and

Whereas, these concerns include the fear that the LGBTQ community and other marginalized communities may suffer physical danger, and

Whereas, a particular concern of the LGBTQ community is that silence will allow bigotry to take root in Vermont, and

Whereas, the LGBTQ community is hopeful that Vermonters' history of rejecting extremists and meeting the challenges of hate and bigotry with love and fierce resistance will continue to prevail, and

Whereas, the General Assembly is in strong accord with these sentiments, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly calls upon Vermonters to denounce hatred and to support and respect marginalized communities, *and be it further*

Resolved: That the General Assembly will protect and preserve laws that foster equality among all persons, *and be it further*

Resolved: That taking the actions addressed in this resolution upholds the proud Vermont tradition of Freedom and Unity, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Vermont Human Rights Commission and the LGBTQIA Alliance of Vermont.

And that when so amended the joint resolution ought to be adopted.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Thursday, April 13, 2017.

THURSDAY, APRIL 13, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Jeff Fuller of Waterbury Center.

Bill Passed in Concurrence**H. 85.**

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

An act relating to captive insurance companies.

Bill Passed in Concurrence with Proposals of Amendment**H. 182.**

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

An act relating to certain businesses regulated by the Department of Financial Regulation.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment**H. 494.**

House bill entitled:

An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

Was taken up.

Thereupon, pending third reading of the bill, Senators Flory, Degree, Kitchel, Mazza and Westman moved to amend the Senate proposal of amendment by adding a new section and a reader assistance to read as follows:

* * * Town Highway Bridge Program * * *

Sec. 4b. TOWN HIGHWAY BRIDGE PROGRAM

The following project is added to the Town Highway Bridge Program within the fiscal year 2018 Transportation Program: FLAP (1) – Derby – culvert replacement on the access road to the Eagle Point Wildlife Management Area in Derby. To the extent funds become available for the project from the Federal Lands Access Program in fiscal year 2018, the funds may be expended as necessary for advancement of this project.

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 29, and 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, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Rodgers.

Joint Resolution Adopted on the Part of the Senate**J.R.S. 18.**

Joint Senate resolution of the following title:

Joint resolution in support of combating the rise in hate crimes and bigotry.

Was taken up.

Thereupon, Senator Degree, moved that the joint resolution be amended by striking out the *first* and *second* whereas clauses in their entirety.

Thereupon, pending the question, Shall the joint resolution be amended as recommended by Senator Degree?, Senator Degree requested and was granted leave to withdraw his recommendation of amendment.

Thereupon, pending the question, Shall the joint resolution be adopted?, Senator Degree, moved that the joint resolution be amended by striking out the *first* whereas clause in its entirety which was disagreed to on a roll call, Yeas 8, Nays 21.

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

Roll Call

Those Senators who voted in the affirmative were: Benning, Branagan, Collamore, Degree, Flory, McCormack, Mullin, Westman.

Those Senators who voted in the negative were: Ashe, Ayer, Balint, Baruth, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, Mazza, Nitka, Pearson, Pollina, Sears, Sirotkin, Starr, White.

The Senator absent and not voting was: Rodgers.

Thereupon, the joint resolution was read the third time and adopted on the part of the Senate on a roll call, Yeas 29, Nays 0.

Senator McCormack 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, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Rodgers.

House Proposal of Amendment Concurred In

S. 7.

House proposal of amendment to Senate bill entitled:

An act relating to deferred sentences and the sex offender registry.

Was taken up.

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

In Sec. 1, 13 V.S.A. § 5401(15)(B)(ii), by striking out the words “during the period when” and inserting in lieu thereof the word while

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Adjournment

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

FRIDAY, APRIL 14, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Rabbi Amy Joy Small of Burlington.

Message from the House No. 44

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

Mr. President:

I am directed to inform the Senate that:

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

J.R.S. 30. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Message from the House No. 45

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

Mr. President:

I am directed to inform the Senate that:

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

S. 14. An act relating to expanding the Vermont Practitioner Recovery Network.

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

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the thirteenth day of April, 2017 he approved and signed a bill originating in the Senate of the following title:

S. 13. An act relating to fees and costs allowed at a tax sale.

Bill Referred to Committee on Finance

H. 238.

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 modernizing and reorganizing Title 7.

Bill Referred to Committee on Appropriations**H. 326.**

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. 326. An act relating to eligibility and calculation of grant or subsidy amount for Reach Up, Reach Ahead, and the Child Care Services Program.

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to committee as indicated:

Boedecker, Emily of Montpelier - Commissioner of the Department of Environmental Conservation - from March 1, 2017, to February 28, 2019.

To the Committee on Natural Resources and Energy.

Proposal of Amendment; Third Reading Ordered**H. 265.**

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

An act relating to the State Long-Term Care Ombudsman.

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

By striking out Sec. 3, effective date in its entirety and inserting in lieu thereof three new sections to be numbered Secs. 3, 4 and 5 to read as follows:

Sec. 3. 33 V.S.A. chapter 69, subchapter 3 is redesignated to read:

Subchapter ~~3~~ 4. Vermont Vulnerable Adult Fatality Review Team

Sec. 4. 33 V.S.A. chapter 69, subchapter 3 is added to read:

Subchapter 3. Protecting Against Financial Exploitation

§ 6951. DEFINITIONS

As used in this subchapter:

(1) “Agent” shall have the same meaning as in 14 V.S.A. § 3501.

(2) “Guardian” means a person appointed to serve as the guardian for a vulnerable adult pursuant to the process established in 14 V.S.A. chapter 111 or in 18 V.S.A. chapter 215.

(3) “Financial exploitation” means:

(A) using, withholding, transferring, or disposing of funds or property of a vulnerable adult, without or in excess of legal authority, for the wrongful profit or advantage of another;

(B) acquiring possession or control of or an interest in funds or property of a vulnerable adult through the use of undue influence, harassment, duress, or fraud; or

(C) the act of forcing or compelling a vulnerable adult against his or her will to perform services for the profit or financial advantage of another.

(4) “Vulnerable adult” shall have the same meaning as in section 6902 of this chapter.

§ 6952. CIVIL ACTION FOR RELIEF FROM FINANCIAL EXPLOITATION

(a) Right of action. A vulnerable adult or his or her agent or guardian may bring an action in the Civil Division of the Superior Court pursuant to this section for relief against a natural person who, with reckless disregard or with knowledge, has engaged in the financial exploitation of the vulnerable adult. An action under this section shall be dismissed if the court determines the vulnerable adult is capable of expressing his or her wishes and that he or she does not wish to pursue the action.

(b)(1) Remedies. If the court finds that financial exploitation of a vulnerable adult has occurred, the court shall grant appropriate relief to the vulnerable adult, which may include money damages, injunctive relief, reasonable costs, attorney’s fees, and equitable relief.

(2) If the financial exploitation was intentional, the court may grant exemplary damages not to exceed three times the value of economic damages.

(c) Effects on other parties. No relief granted or otherwise obtained pursuant to this section shall affect or limit in any way the right, title, or interest of a good faith purchaser, mortgagee, holder of a security interest, or other party who obtained an interest in property after its transfer from the vulnerable adult to the natural person who engaged in financial exploitation. No relief granted or otherwise obtained pursuant to this section shall affect any mortgage deed to the extent of the value provided by the mortgagee.

(d) Statute of limitations. The limitations period imposed by 12 V.S.A. § 511 shall apply to all actions brought pursuant to this subchapter. The statute of limitations shall begin running when the vulnerable adult becomes aware of the conduct qualifying as financial exploitation.

§ 6953. OTHER RELIEF STILL AVAILABLE

Nothing in this subchapter shall be construed to limit the availability of other causes of action or relief at law or equity to which a vulnerable adult may be entitled under other State or federal laws or at common law.

Sec. 5. EFFECTIVE DATES

(a) Secs. 1 and 2 (State Long-Term Care Ombudsman) shall take effect on July 1, 2017.

(b) Secs. 3 and 4 (protecting against financial exploitation) and this section 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.

Rules Suspended; Appointment Confirmed

On motion of Senator Ashe, the rules were suspended and the following Gubernatorial appointment was taken up for immediate consideration and confirmed by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Carroll, Karen R. of Vernon - Associate Justice of the Supreme Court - April 1, 2017, to March 31, 2023.

Was confirmed by the Senate on a roll call Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

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 Starr, Ashe, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Westman and White,

S.C.R. 13.

Senate concurrent resolution congratulating Vermont Technical College on its 150th anniversary and designating April 13, 2017 as Vermont Tech Day.

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 Reps. Ancel and others,

H.C.R. 107.

House concurrent resolution designating April 2017 as Financial Capability Month in Vermont.

By All Members of the House,

By Senators Balint, Benning, Degree, MacDonald and Pollina,

H.C.R. 108.

House concurrent resolution designating Thursday, April 6, 2017 as Alzheimer's Awareness Day at the State House.

By Reps. Stevens and others,

By Senator Clarkson,

H.C.R. 109.

House concurrent resolution congratulating Alison Bechdel of Bolton on being named the third Vermont Cartoonist Laureate.

By Reps. Myers and others,

H.C.R. 110.

House concurrent resolution congratulating the 2017 Essex High School State championship Vermont-NEA Scholars' Bowl team.

By All Members of the House,

H.C.R. 111.

House concurrent resolution congratulating the 2017 Junior Iron Chef championship teams.

By All Members of the House,

By All Members of the Senate,

H.C.R. 112.

House concurrent resolution honoring Alexander L. Aldrich for his two decades of exemplary leadership in the furtherance of the arts in Vermont.

By Rep. Weed,

H.C.R. 113.

House concurrent resolution congratulating Lise Gates of Enosburg Falls on being named a 2017 Mother of Achievement.

By Rep. Bissonnette,

H.C.R. 114.

House concurrent resolution honoring Vermont Air National Guard Chief Master Sergeant John W. Felix III for his distinguished military service.

By Reps. Dickinson and others,

By Senators Branagan and Degree,

H.C.R. 115.

House concurrent resolution honoring Christine Brock of St. Albans for her professional and personal dedication to helping others improve their lives.

By All Members of the House,

By All Members of the Senate,

H.C.R. 116.

House concurrent resolution congratulating the 2017 University of Vermont Catamounts America East championship men's basketball team.

By Rep. Weed,

H.C.R. 117.

House concurrent resolution congratulating the 2017 Enosburg Falls High School Hornets Division II championship boys' basketball team.

By All Members of the House,

H.C.R. 118.

House concurrent resolution recognizing the 3–4–50 chronic disease resource as a valuable preventative health care guide.

By Reps. Morrissey and others,

By Senators Sears and Campion,

H.C.R. 119.

House concurrent resolution commemorating the 240th anniversary of the Battle of Bennington.

By Rep. Devereux,

By Senators Clarkson, McCormack and Nitka,

H.C.R. 120.

House concurrent resolution congratulating the Ludlow Rotary Club on its 90th birthday.

By Reps. Potter and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 121.

House concurrent resolution congratulating the 2017 Proctor High School Phantoms Division IV championship boys' basketball team.

By All Members of the House,

H.C.R. 122.

House concurrent resolution designating April 13, 2017 as Drug Overdose Awareness Day at the State House.

Message from the House No. 46

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 327. An act relating to the charter of the Northeast Kingdom Solid Waste Management District.

H. 356. An act relating to approval of amendments to the charter of the Town of Berlin.

H. 492. An act relating to the Racial Justice Oversight Board.

H. 523. An act relating to fair and impartial policing.

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

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

H. 42. An act relating to appointing municipal clerks and treasurers and to municipal audit penalties.

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. Gardner of Richmond
Rep. Hubert of Milton
Rep. Lewis of Berlin.

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

H. 171. An act relating to expungement.

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. Lalonde of South Burlington
Rep. Conquest of Newbury
Rep. Willhoit of St. Johnsbury.

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

H.C.R. 107. House concurrent resolution designating April 2017 as Financial Capability Month in Vermont.

H.C.R. 108. House concurrent resolution designating Thursday, April 6, 2017 as Alzheimer's Awareness Day at the State House.

H.C.R. 109. House concurrent resolution congratulating Alison Bechdel of Bolton on being named the third Vermont Cartoonist Laureate.

H.C.R. 110. House concurrent resolution congratulating the 2017 Essex High School State championship Vermont-NEA Scholars' Bowl team.

H.C.R. 111. House concurrent resolution congratulating the 2017 Junior Iron Chef championship teams.

H.C.R. 112. House concurrent resolution honoring Alexander L. Aldrich for his two decades of exemplary leadership in the furtherance of the arts in Vermont.

H.C.R. 113. House concurrent resolution congratulating Lise Gates of Enosburg Falls on being named a 2017 Mother of Achievement.

H.C.R. 114. House concurrent resolution honoring Vermont Air National Guard Chief Master Sergeant John W. Felix III for his distinguished military service.

H.C.R. 115. House concurrent resolution honoring Christine Brock of St. Albans for her professional and personal dedication to helping others improve their lives.

H.C.R. 116. House concurrent resolution congratulating the 2017 University of Vermont Catamounts America East championship men's basketball team.

H.C.R. 117. House concurrent resolution congratulating the 2017 Enosburg Falls High School Hornets Division II championship boys' basketball team.

H.C.R. 118. House concurrent resolution recognizing the 3–4–50 chronic disease resource as a valuable preventative health care guide.

H.C.R. 119. House concurrent resolution commemorating the 240th anniversary of the Battle of Bennington.

H.C.R. 120. House concurrent resolution congratulating the Ludlow Rotary Club on its 90th birthday.

H.C.R. 121. House concurrent resolution congratulating the 2017 Proctor High School Phantoms Division IV championship boys' basketball team.

H.C.R. 122. House concurrent resolution designating April 13, 2017 as Drug Overdose Awareness Day at the State House.

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. 13. Senate concurrent resolution congratulating Vermont Technical College on its 150th anniversary and designating April 13, 2017 as Vermont Tech Day.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Monday, April 17, 2017, at three o'clock in the afternoon pursuant to J.R.S. 30.

MONDAY, APRIL 17, 2017

The Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations**S. 137.**

Senate 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 promoting workforce development.

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. 143. An act relating to automobile insurance requirements and transportation network companies.

H. 513. An act relating to making miscellaneous changes to education law.

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. 308. An act relating to a committee to reorganize and reclassify Vermont's criminal statutes.

H. 508. An act relating to building resilience for individuals experiencing adverse childhood experiences.

Adjournment

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

TUESDAY, APRIL 18, 2017

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.

Joint Senate Resolution Adopted on the Part of the Senate**J.R.S. 31.**

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

By Senator Ashe,

J.R.S. 31. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 21, 2017, it be to meet again no later than Tuesday, April 25, 2017.

**Message from the Governor
Appointments Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointments, which were referred to committees as indicated:

Goldstein, Joan of Royalton - Commissioner of the Department of Economic Development - from April 6, 2017, to February 28, 2019.

To the Committee on Economic Development, Housing and General Affairs.

Menard, Lisa of Waterbury - Commissioner of the Department of Corrections - from April 7, 2017, to February 28, 2019.

To the Committee on Institutions.

**Message of Appointment
Appointment Referred**

A message was received from the Former Governor, Peter E. Shumlin, submitting the following appointment with supporting affidavit, which was referred to a committee as indicated:

Lunge, Robin of Berlin - Member of the Green Mountain Care Board - from November 28, 2016, to November 27, 2022.

To the Committee on Health and Welfare.

Bills Referred

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

H. 327.

An act relating to the charter of the Northeast Kingdom Solid Waste Management District.

To the Committee on Rules.

H. 356.

An act relating to approval of amendments to the charter of the Town of Berlin.

To the Committee on Rules.

H. 492.

An act relating to the Racial Justice Oversight Board.

To the Committee on Rules.

H. 523.

An act relating to fair and impartial policing.

To the Committee on Rules.

Proposals of Amendment; Third Reading Ordered

H. 507.

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

An act relating to Next Generation Medicaid ACO pilot project reporting requirements.

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

First: In Sec. 1, Next Generation Medicaid ACO pilot project reports, in subsection (a), following “Health Reform Oversight Committee,” by inserting the Green Mountain Care Board,

Second: In Sec. 1, Next Generation Medicaid ACO pilot project reports, in subsection (a), at the end subdivision (3), by adding before the semicolon, for which quarterly data is available

Third: By adding a new section to be Sec. 3, to read as follows:

Sec. 3. 2016 Acts and Resolves No. 165, Sec. 6 is amended to read:

Sec. 6. 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 and 2019 plan ~~year~~ years, 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) two or more plans with an out-of-pocket limit at or below the limit established in 8 V.S.A. § 4089i.

* * *

(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 and 2019 plan ~~year~~ years, 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 and 2019 plan ~~year~~ years only.

(B) For the 2018 and 2019 plan ~~year~~ years, the Department of Vermont Health Access shall certify at least two standard bronze-level plans that include the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i, as long as the plans comply 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 and 2019 plan ~~year~~ years only.

(e)(1)(A) For each individual enrolled in a bronze-level qualified health benefit plan for plan years 2016 and 2017 who had out-of-pocket prescription drug expenditures during the 2016 plan year that met the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i, the health insurer shall, absent an alternative plan selection or plan cancellation by the individual, automatically reenroll the individual in a bronze-level qualified health benefit plan for plan year 2018 with an out-of-pocket prescription drug limit at or below the limit established in 8 V.S.A. § 4089i.

(B) For each individual enrolled in a bronze-level qualified health benefit plan for plan years 2017 and 2018 who had out-of-pocket prescription drug expenditures during the 2017 plan year that met the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i, the health insurer shall, absent an alternative plan selection or plan cancellation by the individual, automatically reenroll the individual in a bronze-level qualified health benefit plan for plan year 2019 with an out-of-pocket prescription drug limit at or below the limit established in 8 V.S.A. § 4089i.

(2) Prior to reenrolling the individual in a plan pursuant to subdivision (1) of this subsection, the health insurer shall notify the individual of the insurer's intent to reenroll automatically the individual in a bronze-level plan for plan year 2018 or 2019 with an out-of-pocket prescription drug limit at or below the limit established in 8 V.S.A. § 4089i and of the availability of bronze-level plans with higher out-of-pocket prescription drug limits.

(f)(1) The Director of Health Care Reform in the Agency of Administration, in consultation with the Department of Vermont Health Access and the Office of Legislative Council, shall determine whether the Secretary of the U.S. Department of Health and Human Services has the authority under the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152 (ACA), to waive annual limitations on out-of-pocket expenses or actuarial value requirements for bronze-level plans, or both. On or before October 1, 2016, the Director shall present information to the Health Reform Oversight Committee regarding the authority of the Secretary of the U.S. Department of Health and Human Services to waive out-of-pocket limits and actuarial value requirements, the estimated costs of applying for a waiver, and alternatives to a waiver for preserving the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i.

(2) If the Director of Health Care Reform determines that the Secretary has the necessary authority, then on or before March 1, ~~2017~~ 2019, the Commissioner of Vermont Health Access, with the Director's assistance, shall apply for a waiver of the cost-sharing or actuarial value limitations, or both, in order to preserve the availability of bronze-level qualified health benefit plans that meet Vermont's out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i.

(g) 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 and 2019 plan ~~year~~ years 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 and 2019 plan ~~year~~ years 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 and 2019 plan ~~year~~ years, 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.

(h) 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:

(A) continuation of the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i; and

(B) options for statutory or regulatory changes to ensure the continued availability of bronze-level plans on the Vermont Health Benefit Exchange.

And by renumbering the remaining section (effective date) to be numerically correct.

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 pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Health and Welfare?, Senators Sirotkin, Ashe and Mullin moved to amend the third proposal of amendment of the Committee on Health and Welfare, as follows:

In Sec. 3, 2016 Acts and Resolves No. 165, Sec. 6, as follows:

First: In subsection (e), by striking out subdivision (2) in its entirety and inserting in lieu thereof the following:

(2) Prior to reenrolling an individual in a plan pursuant to subdivision (1) of this subsection, the health insurer shall notify the individual of the insurer's intent to reenroll ~~automatically~~ the individual automatically in a bronze-level qualified health benefit plan for the forthcoming plan year ~~2018~~ with an out-of-pocket prescription drug limit at or below the limit established in 8 V.S.A. § 4089i unless the individual contacts the insurer to select a different plan, and of the availability of bronze-level plans with higher out-of-pocket prescription drug limits. The health insurer shall collaborate with the consumer organization members of the advisory group established in subsection (a) of this section as to the notification's form and content.

Second: In subsection (h), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(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;~~

(A) whether there is a need for flexibility in the design of bronze-level plans on the Vermont Health Benefit Exchange for plan years after plan year 2019; and

(B) if there is a continued need for flexibility in the design of bronze plans, options for enabling that flexibility without limiting or eroding the value or availability of the protection afforded by the out-of-pocket prescription drug limit established in 8 V.S.A. § 4089i.

Which was agreed to.

Thereupon, the pending question, Shall the Senate propose to the House that the bill be amended as proposed by the Committee on Health and Welfare, as amended? was agreed to.

Thereupon, third reading of the bill was ordered.

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

H. 265.

House bill entitled:

An act relating to the State Long-Term Care Ombudsman.

Was taken up.

Thereupon, pending third reading of the bill, Senator Ingram moved to amend the Senate proposal of amendment in Sec. 4, in 33 V.S.A. § 6952(d), by striking out the second sentence in its entirety.

Which was agreed to.

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

Proposal of Amendment; Third Reading Ordered

H. 3.

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

An act relating to burial depth in cemeteries.

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

In Sec. 1, 18 V.S.A. § 5319(b), in subdivision (1), by inserting after the first sentence, a second sentence to read as follows:

Nothing in this subdivision shall be construed to prohibit the interment of a human body at a depth greater than three and one-half feet below the surface of the ground.

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. 136.

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

An act relating to accommodations for pregnant employees.

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

Sec. 1. 21 V.S.A. § 495d is amended to read:

§ 495d. DEFINITIONS

As used in this subchapter:

* * *

(14) “Pregnancy-related condition” means a limitation of an employee’s ability to perform the functions of a job caused by pregnancy, childbirth, or a medical condition related to pregnancy or childbirth.

Sec. 2. 21 V.S.A. § 495k is added to read:

§ 495k. ACCOMMODATIONS FOR PREGNANCY-RELATED
CONDITIONS

(a)(1) It shall be an unlawful employment practice for an employer to fail to provide a reasonable accommodation for an employee’s pregnancy-related condition, unless it would impose an undue hardship on the employer.

(2) An employee with a pregnancy-related condition, regardless of whether the employee is an “individual with a disability” as defined in subdivision 495d(5) of this subchapter, shall have the same rights and be subject to the same standards with respect to the provision of a reasonable accommodation, pursuant to this subchapter, as a qualified individual with a disability as defined in subdivision 495d(6) of this subchapter.

(b) Nothing in this section shall be construed to diminish the rights, privileges, or remedies of an employee pursuant to federal or State law, a collective bargaining agreement, or an employment contract.

(c) An employer shall post notice of the provisions of this section in a form provided by the Commissioner in a place conspicuous to employees at the employer's place of business.

Sec. 3. EFFECTIVE DATE

This act shall take effect on January 1, 2018.

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. 145.

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

An act relating to establishing the Mental Health Crisis Response Commission.

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

First: In Sec. 1, 18 V.S.A. § 7257a, by striking out subdivision (b)(2) in its entirety and inserting in lieu thereof a new subdivision (b)(2) to read as follows:

(2) The review process shall not commence until any criminal prosecution arising out of the incident is concluded or the Attorney General and State's Attorney provide written notice to the Commission that no criminal charges shall be filed.

Second: In Sec. 1, 18 V.S.A. § 7257a, in subsection (i), in the first sentence, by striking out the following: "on or before January 15 of the first year of the biennium" and inserting in lieu thereof the following: as the Commission deems necessary, but no less frequently than once per calendar year

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; Bill Recommitted

H. 144.

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

An act relating to the membership of the Nuclear Decommissioning Citizens Advisory Panel.

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. § 1700 is amended to read:

§ 1700. CREATION; MEMBERSHIP; OFFICERS; QUORUM

(a) There is created a Nuclear Decommissioning Citizens Advisory Panel which shall consist of the following:

- (1) The Secretary of Human Services, ex officio, or designee.
- (2) The Secretary of Natural Resources, ex officio, or designee.
- (3) The Commissioner of Public Service, ex officio, or designee.
- (4) The Secretary of Commerce and Community Development, ex officio, or designee.
- (5) One member of the House Committee on ~~Natural Resources and Energy~~ and Technology, chosen by the Speaker of the House.
- (6) One member of the Senate Committee on Natural Resources and Energy, chosen by the Committee on Committees.
- (7) One representative of the Windham Regional Commission or designee, selected by the Regional Commission.
- (8) One representative of the Town of Vernon or designee, selected by the legislative body of that town.
- (9) Six members of the public, two each selected by the Governor, the Speaker of the House, and the President Pro Tempore of the Senate. Under this subdivision, each appointing authority initially shall appoint a member for a three-year term and a member for a four-year term. Subsequent appointments under this subdivision shall be for terms of four years.

(10) Two representatives of the owners of the Vermont Yankee Nuclear Power Station (VYNPS or Station) selected by the owner of the Station.

(11) A representative of the International Brotherhood of Electric Workers (IBEW) selected by the IBEW who shall be a present or former employee at the VYNPS.

(12) One member who will represent collectively the Towns of Chesterfield, Hinsdale, Richmond, Swanzey, and Winchester, New Hampshire, when selected by the Governor of New Hampshire at the invitation of the Commissioner of Public Service.

(13) One member who will represent collectively the Towns of Bernardston, Colrain, Gill, Greenfield, Leyden, Northfield, and Warwick, Massachusetts, when selected by the Governor of Massachusetts at the invitation of the Commissioner of Public Service.

* * *

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, and pending the question, Shall the bill be amended as recommended by the Committee on Finance?, Senator Sears moved that the bill be committed to the Committee on Government Operations.

Thereupon, Senator Sears, requested and was granted leave to withdraw his motion.

Thereupon, Senator Degree moved that the bill be recommitted to the Committee on Finance, which was agreed to.

Proposal of Amendment; Third Reading Ordered

H. 184.

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

An act relating to evaluation of suicide profiles.

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. EVALUATION OF SUICIDE PROFILES

(a) On or before January 15, 2018, the Secretary of Human Services or designee shall present to the Senate Committee on Health and Welfare and to the House Committee on Health Care a summary of the Agency's internal Public Health Suicide Stat process results and any analyses or reports completed in relation to the Agency's participation in the Centers for Disease Control and Prevention's National Violent Death Reporting System, including what methods the Agency currently uses or plans to use to:

(1) determine trends and patterns of suicide deaths;

(2) identify and evaluate the prevalence of risk factors for preventable deaths;

(3) evaluate high-risk factors, current practices, gaps in systematic responses, and barriers to safety and well-being for individuals at risk for suicide; and

(4) inform the implementation of suicide prevention activities and supporting the prioritization of suicide prevention resources and activities.

(b) On or before Jan. 15, 2019, the Secretary shall present plans to the Senate Committee on Health and Welfare and to the House Committee on Health Care describing how data relevant to subdivisions (a)(1)–(4) of this section shall be collected after the National Violent Death Reporting System grant expires.

(c) On or before January 15, 2020, the Secretary shall submit a report to the Senate Committee on Health and Welfare and to the House Committee on Health Care summarizing:

(1) any information from the Agency's final National Violent Death Reporting System analysis relevant to subdivisions (a)(1)–(4) of this section; and

(2) the Agency's recommendations and action plans resulting from its final National Violent Death Reporting System analysis and any additional Agency-led initiatives.

(d) The presentation and report required by subsections (a) and (b) of this section shall not contain any personally identifying information.

Sec. 2. EFFECTIVE DATE

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

Proposal of Amendment; Third Reading Ordered

H. 462.

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

An act relating to social media privacy for employees.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 21 V.S.A. § 495k, in subsection (e), by adding a subdivision (4) to read as follows:

(4) Nothing in this section shall be construed to prevent an employer from complying with the requirements of State or federal law.

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. 502.

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

An act relating to modernizing Vermont's parentage laws.

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. FINDINGS AND INTENT

Current Vermont law provides detailed guidance as to the legal and physical rights and responsibilities of parents, if they marry and divorce, with respect to their biological children or stepchildren. However, statutory law has not kept pace with the changing nature of today's families. Through this act, the General Assembly seeks to assemble attorneys and members with particular expertise in these matters, who can examine parentage laws in other jurisdictions and develop a proposal for the General Assembly to consider during the 2018 legislative session that integrates with our existing laws best practices for providing for the best interest of the child in various types of parentage proceedings.

Sec. 2. PARENTAGE STUDY COMMITTEE

(a) Creation. There is created the Parentage Study Committee to examine and provide recommendations with regard to modernizing Vermont's parentage laws in recognition of the changing nature of the family.

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

(1) a judge or Justice appointed by the Chief Superior Judge;

(2) a member appointed by the Commissioner for Children and Families;

(3) an attorney appointed by the Director of the Office of Child Support;

(4) two members appointed by the Vermont Bar Association who are attorneys experienced in parentage issues related to reproductive technology and surrogacy; and

(5) one member who is a medical professional with expertise in reproductive technology, who is appointed by the other members of the Committee at its first meeting.

(c) Powers and duties. The Committee shall study how Vermont's parentage laws should be updated to address various issues that have come before the courts in recent years and issues that have arisen and been addressed in other New England states on these matters, including assisted reproductive technology and de facto parentage.

(d) Report. On or before October 1, 2017, the Committee shall submit a written report to the House and Senate Committees on Judiciary, the Senate Committee on Health and Welfare, and the House Committee on Human Services with its findings and recommendations for legislative action.

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.

House Proposal of Amendment Concurred In**S. 14.**

House proposal of amendment to Senate bill entitled:

An act relating to expanding the Vermont Practitioner Recovery Network.

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:

* * * Podiatrists * * *

Sec. 1. 26 V.S.A. § 374 is amended to read:

§ 374. FEES; LICENSES

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

(1) Application for licensure, \$650.00; the Board shall use at least \$25.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(2) Biennial renewal, \$525.00; the Board shall use at least \$25.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

* * * Physicians * * *

Sec. 2. 26 V.S.A. § 1395(c) is amended to read:

(c) ~~Notwithstanding the provisions of subsection (a) of this section and any other provision of law, a physician who holds an unrestricted license in all jurisdictions where the physician is currently licensed, and who certifies to the Vermont board of medical practice that he or she will limit his or her practice in Vermont to providing pro bono services at a free or reduced fee health care clinic in Vermont and who meets the criteria of the board, shall be licensed by the board within 60 days of the licensee's certification without further examination, interview, fee, or any other requirement for board licensure. The~~

~~physician shall file with the board, on forms provided by the board and based on criteria developed by the board, information on medical qualifications, professional discipline, criminal record, malpractice claims, or any other such information as the board may require. A license granted under this subsection shall authorize the licensee to practice medicine on a voluntary basis in Vermont. [Repealed.]~~

Sec. 3. 26 V.S.A. § 1401a is amended to read:

§ 1401a. FEES

(a) The Department of Health shall collect the following fees:

(1) Application for licensure, \$650.00; the Board shall use at least \$25.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(2) Biennial renewal, \$525.00; the Board shall use at least \$25.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(3) Initial limited temporary license; annual renewal \$75.00.

* * *

(c)(1) Notwithstanding any other provision of this chapter, a physician who holds an unrestricted license in all jurisdictions where the physician is currently licensed and who meets the criteria of the Board shall be licensed without fee if the physician certifies to the Board that he or she shall limit practice in Vermont solely to providing:

(A) pro bono services at a free or reduced fee health care clinic in Vermont; or

(B) volunteer services through the Vermont Medical Reserve Corps.

(2) A physician, under this subsection, shall file with the Board using forms provided on the Board's website, information on medical qualifications, professional discipline, criminal record, malpractice claims, or any other such information as the Board may require. A license granted under this subsection shall authorize the licensee to practice medicine either on a voluntary basis at a

free or reduced fee clinic in Vermont or in connection with the Vermont Medical Reserve Corps, respectively.

* * * Anesthesiologist Assistants * * *

Sec. 4. 26 V.S.A. § 1662 is amended to read:

§ 1662. FEES

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

(1)(A)(i) Original application for certification, \$120.00;

(ii) Each additional application, \$55.00;

(B) The Board shall use at least \$10.00 of these fees to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(2)(A)(i) Biennial renewal, \$120.00;

(ii) Each additional renewal, \$55.00;

(B)(i) The Board shall use at least \$10.00 of these fees to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, monitors recovering chemically dependent licensees for the protection of the public and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(ii) In addition to the fee, an applicant for certification renewal shall submit evidence in a manner acceptable to the Board that he or she continues to meet the certification requirements of the NCCAA.

(3) Transfer of certification, \$20.00.

* * * Physician Assistants * * *

Sec. 5. 26 V.S.A. § 1740 is amended to read:

§ 1740. FEES

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

(1) Original application for licensure, \$225.00; the Board shall use at least \$10.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public,

~~monitors recovering chemically dependent licensees for the protection of the public~~ and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(2) Biennial renewal, \$215.00; the Board shall use at least \$10.00 of this fee to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, ~~monitors recovering chemically dependent licensees for the protection of the public~~ and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

* * * Radiologist Assistants * * *

Sec. 6. 26 V.S.A. § 2862 is amended to read:

§ 2862. FEES

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

- (1)(A)(i) Original application for certification \$120.00;
- (ii) Each additional application \$55.00;

(B) The Board shall use at least \$10.00 of these fees to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, ~~monitors recovering chemically dependent licensees for the protection of the public~~ and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

- (2)(A)(i) Biennial renewal \$120.00;
- (ii) Each additional renewal \$55.00;

(B)(i) The Board shall use at least \$10.00 of these fees to support the cost of maintaining the Vermont Practitioner Recovery Network, which, for the protection of the public, ~~monitors recovering chemically dependent licensees for the protection of the public~~ and evaluates, coordinates services for, and promotes rehabilitation of licensees who have or potentially have an impaired ability to practice medicine with reasonable skill and safety.

(ii) In addition to the fee, an applicant for certification renewal shall submit evidence in a manner acceptable to the Board that he or she continues to meet the certification requirements of the ARRT and is licensed as a radiologic technologist under chapter 51 of this title.

(3) Transfer of certification

\$20.00.

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act 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.

Committee Relieved of Further Consideration

H. 513.

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

An act relating to making miscellaneous changes to education law,

Thereupon, on motion of Senator Baruth, the rules were suspended and the bill was ordered placed on the Calendar for action on Wednesday, April 19, 2017.

Committee Relieved of Further Consideration; Bill Committed

H. 510.

On motion of Senator Bray, the Committee on Natural Resources and Energy was relieved of further consideration of House bill entitled:

An act relating to the cost share for State agricultural water quality financial assistance grants,

and the bill was committed to the Committee on Agriculture.

Message from the House No. 47

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 197. An act relating to mental health parity for workers' compensation.

H. 520. An act relating to approval of amendments to the charter of the Town of Stowe.

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

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

S. 22. An act relating to increased penalties for possession, sale, and dispensation of fentanyl.

S. 56. An act relating to life insurance policies and the Vermont Uniform Securities Act.

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 adopted joint resolution of the following title:

J.R.H. 7. Joint resolution authorizing the Green Mountain Boys State educational program to use the State House.

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

Adjournment

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

WEDNESDAY, APRIL 19, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Mark Mendes of Essex Junction.

Joint Resolution Placed on Calendar

J.R.H. 7.

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

Joint resolution authorizing the Green Mountain Boys State educational program to use the State House.

Whereas, the American Legion Department of Vermont sponsors the Green Mountain Boys State educational program, providing a group of boys entering the 12th grade a special opportunity to study the workings of State government in Montpelier, and

Whereas, as part of their visit to the State's capital city, the boys conduct a mock legislative session in the State House, now therefore be it

Resolved by the Senate and House of Representatives:

That the Sergeant at Arms shall make available the chambers and committee rooms of the State House for the Green Mountain Boys State educational program on Thursday, June 22, 2017, from 8:00 a.m. to 4:15 p.m., and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the American Legion Department of Vermont in Montpelier

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was placed on the Calendar for action the next legislative day.

Bills Referred

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

H. 197.

An act relating to mental health parity for workers' compensation.

To the Committee on Rules.

H. 520.

An act relating to approval of amendments to the charter of the Town of Stowe.

To the Committee on Rules.

Proposal of Amendment; Third Reading Ordered

H. 497.

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

An act relating to health requirements for animals used in agriculture.

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 63 is amended to read:

CHAPTER 63. ~~LIVESTOCK DEALERS~~ LIVESTOCK-RELATED BUSINESSES, AUCTIONS, AND SALES RINGS

§ 761. DEFINITIONS

As used in this chapter:

(1) "Livestock" means cattle, horses, sheep, swine, goats, camelids, fallow deer, red deer, reindeer, and American bison.

(2) "Livestock dealer" means a person going from place to place buying, selling, or transporting livestock, or operating a livestock auction or sales ring, either on ~~their~~ the person's own account or on commission, except ~~state breed associations recognized as such by the secretary of agriculture, food and markets;~~

(A) a federal agency, including any department, division, or authority within the agency; or

(B) a nonprofit association approved by the Secretary.

(3) "Packer" means a livestock dealer who is solely involved in the purchase of livestock for purpose of slaughter at his or her own slaughter facility.

(4) "Person" means any individual, partnership, unincorporated association, or corporation.

(5) "Transporter" means a livestock dealer who limits his or her activity to transporting livestock for remuneration. A transporter cannot buy or sell livestock and is not required to be bonded.

§ 762. LICENSE; FEE

(a) A person shall not carry on the business of a livestock dealer, packer, or transporter without first obtaining a license from the Secretary of Agriculture, Food and Markets. Before the issuance of ~~such a~~ such a license, ~~such dealer a person~~ shall file with the Secretary an application for ~~such a~~ such a license on forms provided by the Agency. Each application shall be accompanied by a fee of \$175.00 for ~~persons who buy and sell or auction livestock,~~ livestock dealers and packers and \$100.00 for ~~persons who only transport livestock commercially~~ livestock transporters.

(b) The Secretary may deny any application for a livestock ~~dealer's~~ dealer, packer, or transporter license, after notice and an opportunity for a hearing, whenever the applicant is a person or a representative of a person who has had a livestock ~~dealer's~~ dealer, packer, or transporter license suspended or revoked by any state, including Vermont, or any foreign country during the preceding five years or who has been convicted of violating statutes, rules, or regulations of any state or the federal government pertaining to the sale or transportation of livestock or the control of livestock disease. The applicant shall be informed of any denial by letter, which shall include the specific reasons for the denial. The applicant shall have 15 days in which to petition the Secretary for reconsideration. The petition shall be submitted in writing, and the Secretary, in his or her discretion may hold a further hearing on the petition for reconsideration. Thereafter, the Secretary shall issue or deny the license and shall inform the applicant in writing of his or her decision and the reasons therefor.

(c) The Livestock Special Fund is established under and shall be administered pursuant to 32 V.S.A. chapter 7, subchapter 5. All funds received under this section shall be deposited in the Livestock Special Fund for use by the Agency for administration of livestock programs.

§ 763. EXEMPTIONS FROM LICENSE

The provisions of section 762 of this title relative to requiring a license shall not apply to a farmer going from place to place buying or selling livestock in the regular operation of his or her farm business.

§ 764. BOND

~~(a) Each livestock dealer~~ Before the Secretary issues a livestock dealer or packer license under this chapter, an applicant shall furnish the ~~secretary~~ Secretary with a surety bond in the amount of not less than \$10,000.00; executed by a surety company authorized to do business in this state; ~~and a like surety bond in a like sum for each agent listed on the dealer's license application~~ State.

~~(b) Before a license shall be issued to an applicant who conducts one or more livestock commission sales or auctions, such applicant shall furnish the secretary, in addition to any other bond required by this section, a surety bond, executed by a surety company authorized to do business in this state, covering all business in each location at which such applicant conducts a livestock auction or sales ring, in a principal amount to be determined by the secretary based on the volume of his purchases, but not to exceed \$150,000.00. [Repealed.]~~

~~(c) All livestock dealers' and livestock auction bonds~~ required under this section shall be in such the form as the secretary shall prescribe and shall be conditioned for compliance with the provisions of this chapter and for payment of all obligations of the licensee for purchases of livestock within this state. Any resident of this state injured by a harmful act of the licensee, his agents, servants, or operators shall have a cause of action in his own name on such bond for the damage sustained; provided, however, that the aggregate liability of the surety to all residents of this state shall in no event exceed the principal amount of the bond. required under 9 C.F.R. § 201.30, as amended over time. In lieu of a surety bond required under this section, the Secretary may accept a financial instrument or alternate form of surety authorized under 9 C.F.R. § 201.30.

~~(d) Before a license shall be issued to an applicant whose residence is outside Vermont, or to an applicant whose employer is not a resident of Vermont, such applicant shall furnish the secretary of agriculture, food and markets in addition to any other bond required by this section, a bond in the principal amount to be determined by the secretary based on the volume of his~~

~~purchases, but not to exceed \$150,000.00 executed by a surety company authorized to do business in this state. [Repealed.]~~

~~(e) The secretary may accept a livestock dealer surety bond issued under the Federal Packers and Stockyard Act instead of the bonds required under subsections (a), (b), and (c) of this section, provided that a copy of such bond is filed with the secretary and in an amount considered by the secretary to be sufficient. Where the coverage is considered insufficient the secretary may require additional bonding to the extent authorized under subsections (a), (b), and (c) of this section. [Repealed.]~~

~~(f) The secretary may accept, in lieu of a surety bond, a federal packers and stockyards administration trust fund agreement, or a packers and stockyards administration trust agreement that includes an irrevocable letter of credit. [Repealed.]~~

~~(g) The secretary may accept a federal packers and stockyards packers surety bond in lieu of a livestock dealers bond, but only on the condition that all livestock purchased by the packer in this state shall be slaughtered at the packer's facility. [Repealed.]~~

§ 764a. CLAIMS

~~Any claims on the licensee under section 764 of this title shall be filed by the claimant with the secretary of agriculture, food and markets within 120 days of date of sale. [Repealed.]~~

§ 765. EXEMPTIONS FROM BOND

~~A nonprofit cooperative association, organized under chapter 1 or 7 of Title 11, or similar laws of other states, shall not be required to furnish a bond as required in section 764 of this title. [Repealed.]~~

§ 767. POSSESSION OF LICENSE; FEES FOR COPIES; EXPIRATION DATE; LICENSES NOT TRANSFERABLE

~~(a) A livestock dealer, packer, or transporter shall keep a copy of such the license required under this chapter in his or her possession and one number plate of suitable design which shall be issued to such dealer by the secretary at the time of the issuance of such license shall be attached to each truck or other conveyance used by such dealer for the transportation of livestock. The number plate shall be attached to the vehicle as regulated by the agency of agriculture, food and markets. At the time of the initial issuance of the license, the Secretary shall issue to the dealer, packer, or transporter a unique vehicle plate for each applicable conveyance used by the licensee to contain or transport livestock. The dealer, packer, or transporter shall attach the vehicle plate to each applicable conveyance. All such plates shall be removed from the vehicles conveyance immediately after expiration of the license.~~

~~(b) Copies of licenses shall be obtained from the secretary of agriculture, food and markets and he or she shall charge a fee of \$2.50 for each copy. [Repealed.]~~

~~(c) All licenses issued under section 762 of this title shall take effect July 1, and expire on June 30, following. They may~~ A livestock dealer license, packer license, or transporter license shall not be transferred.

§ 768. DUTIES OF DEALERS, TRANSPORTERS, AND PACKERS

A livestock dealer, transporter, or packer licensed under section 762 of this title shall:

(1) Maintain in a clean and sanitary condition all premises, buildings, and conveyances used in the business of ~~dealing in~~ buying, selling, or transporting livestock or operating a livestock auction or sales ring;.

(2) Submit premises, buildings, and conveyances to inspection and livestock to inspection and test at any and such times as the ~~secretary~~ Secretary may deem it necessary and advisable;.

(3) Allow no livestock on livestock dealer's premises from herds or premises quarantined by the ~~secretary of agriculture, food and markets;~~ Secretary of Agriculture, Food and Markets.

(4) Maintain, subject to inspection by the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets or his or her agent, a ~~proper record in which all livestock purchased, repossessed, sold, or loaned are to be listed, giving breed, date purchased, repossessed, sold, or loaned and complete names and addresses from whom obtained and to whom delivered. Such record shall also show the individual identification of each livestock by a method prescribed for each species by rule by the secretary, except that for equine such record and method of individual identification shall be as prescribed under subchapter 2 of chapter 102 of this title~~ compliant with applicable State and federal statutes, rules, and regulations specified by the Secretary, including the U.S. Department of Agriculture Animal Disease Traceability rule, 9 C.F.R. part 86.

(5) Abide by ~~such other reasonable rules and regulations which that~~ may be issued adopted by the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets to prevent the spread of disease. A copy of ~~such all applicable rules and regulations~~ shall be provided to all livestock dealers, packers, and transporters licensed under the terms of section 762 of this title, at the time they first obtain a license.

(6) Pay the seller within 72 hours following the sale of the animal or animals.

~~(7) Not simultaneously transport brucellosis free and diseased and suspect cattle, except when all the animals are being transported directly to a slaughtering facility. [Repealed.]~~

§ 769. CANCELLATION OF LICENSE

Failure of any livestock dealer, transporter, or packer to abide by the terms of this chapter, or of any of the State or federal laws, rules, or regulations relating to livestock, or of ~~such a procedure as that the secretary of agriculture, food and markets deems~~ Secretary of Agriculture, Food and Markets adopts as necessary to prevent the spread of disease, shall be deemed sufficient cause after notice and hearing for the cancellation of a license issued under section 762 of this title.

§ 770. PENALTY

Any livestock dealer, transporter, or packer who buys, sells, or transports livestock in this ~~state~~ State or operates a livestock auction or sales ring without having a license so to do, issued either to such person or to the firm or corporation ~~which that he or she~~ represents in conducting such business, as herein required, shall be ~~fined not less than \$100.00 nor more than \$500.00 or be imprisoned not less than 30 days nor more than 90 days, or both~~ assessed an administrative penalty under section 15 of this title.

§ 772. SALE OF FOALS

~~(a) A person shall not buy, sell, transfer ownership of, or transport any equine foal less than six months old, except with its dam, unless such foal is naturally weaned or unless for immediate slaughter. For purposes of this section, a colt shall be considered "naturally weaned" if it is capable of subsisting apart from its dam.~~

~~(b) Failure to comply with this section is a violation of 13 V.S.A. § 352(3). [Repealed.]~~

Sec. 2. 6 V.S.A. chapter 64 is amended to read:

CHAPTER 64. LIVESTOCK CARE STANDARDS ADVISORY COUNCIL

§ 791. DEFINITIONS

As used in this chapter:

(1) "Agency" means the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets.

(2) "Council" means the ~~livestock care standards advisory council~~ Livestock Care Standards Advisory Council.

(3) "Livestock" means cattle, calves, sheep, swine, horses, mules, goats, fallow deer, American bison, poultry, and any other animal that can or may be used in and for the preparation of meat, fiber, or poultry products.

(4) "Secretary" means the ~~secretary of agriculture, food and markets~~ Secretary of Agriculture, Food and Markets.

§ 792. ESTABLISHMENT OF LIVESTOCK CARE STANDARDS
ADVISORY COUNCIL

(a) There is established a ~~livestock care standards advisory council~~ the Livestock Care Standards Advisory Council for the purposes of evaluating the laws of the ~~state~~ State and of providing policy recommendations regarding the care, handling, and well-being of livestock in the ~~state~~ State. The ~~livestock care standards advisory council~~ Livestock Care Standards Advisory Council shall be composed of the following members, all of whom shall be residents of Vermont:

(1) The ~~secretary of agriculture, food and markets~~ Secretary, who shall serve as the ~~chair~~ Chair of the ~~council~~ Council.

(2) The ~~state veterinarian~~ State Veterinarian.

(3) The following six members appointed by the ~~governor~~ Governor:

(A) A person with knowledge of food safety and food safety regulation in the ~~state~~ State.

(B) A person from a statewide organization that represents the beef industry.

(C) A Vermont licensed livestock or poultry veterinarian.

(D) A representative of an agricultural department of a Vermont college or university.

(E) A representative of the Vermont slaughter industry.

(F) A representative of the Vermont livestock dealer, hauler, or auction industry.

(4) The following three members appointed by the ~~committee on committees~~ Committee on Committees:

(A) A producer of species other than bovidae.

(B) An operator of a medium farm or large farm permitted by the ~~agency~~ Agency.

(C) A professional in the care and management of equines and equine facilities.

(5) The following three members appointed by the ~~speaker of the house~~ Speaker of the House:

(A) An operator of a small Vermont dairy farm.

(B) A representative of a local humane society ~~or organization~~ from Vermont ~~registered with the agency~~ and organized under ~~state~~ State law.

(C) A person with experience investigating charges of animal cruelty involving livestock, provided that no such person who has received or is receiving compensation from a national humane society or organization may be appointed under this subdivision.

(b) Members of the ~~board~~ Council shall be appointed for staggered terms of three years. Except for the ~~chair~~ Chair, the ~~state veterinarian~~ State Veterinarian, and the representative of the agricultural department of a Vermont college or university, no member of the ~~council~~ Council may serve for more than ~~six~~ two consecutive ~~years~~ full terms. Eight members of the ~~council~~ Council shall constitute a quorum. If a vacancy on the Council occurs, a new member shall be appointed, in the same manner that his or her predecessor was appointed, to fill the unexpired term.

(c) With the concurrence of the ~~chair~~ Chair, the ~~council~~ Council may use the services and staff of the ~~agency~~ Agency in the performance of its duties.

§ 793. POWERS AND DUTIES OF LIVESTOCK CARE STANDARDS ADVISORY COUNCIL

(a) The Council shall:

(1) Review and evaluate the laws and rules of the State applicable to the care and handling of livestock. In conducting the evaluation required by this section, the Council shall consider the following:

(A) the overall health and welfare of livestock species;

(B) agricultural best management practices;

(C) biosecurity and disease prevention;

(D) animal morbidity and mortality data;

(E) food safety practices;

(F) the protection of local and affordable food supplies for consumers; and

(G) humane transport and slaughter practices.

(2) Submit policy recommendations to the Secretary on any of the subject matter set forth under subdivision (1) of this subsection. A copy of the

policy recommendations submitted to the Secretary shall be provided to the House Committee on Agriculture and ~~Forest Products~~ Forestry and the Senate Committee on Agriculture. Recommendations may be in the form of proposed legislation. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

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

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

(b) The Council may engage in education and outreach activities related to the laws and regulations for the care and handling of livestock. The Council may accept funds from public or private sources in compliance with 32 V.S.A. § 5.

Sec. 3. 6 V.S.A. chapter 102 is amended to read:

CHAPTER 102. CONTROL OF CONTAGIOUS LIVESTOCK DISEASES

Subchapter 1. General Provisions

§ 1151. DEFINITIONS

As used in this part:

(1) “Accredited veterinarian” means a veterinarian approved by the ~~United States~~ U.S. Department of Agriculture and the ~~state veterinarian~~ State Veterinarian to perform functions specified by cooperative state-federal disease control programs.

(2) “Animal” or “domestic animal” means cattle, sheep, goats, equines, deer, American bison, swine, poultry, pheasant, Chukar partridge, Coturnix quail, psittacine birds, ferrets, camelids, ratites (ostriches, rheas, and emus), and water buffalo. The term shall include cultured ~~trout~~ fish propagated by commercial ~~trout~~ fish farms.

(3) “Approved slaughterhouse” means an establishment maintained by a slaughterer under ~~state~~ State or federal law.

(4) “Camelids” means any animal of the family camelidae, including, ~~but not limited to,~~ guanacos, vicunas, camels, alpacas, and llamas.

(5) “Coggins test” means the agar gel immunodiffusion blood test conducted in a laboratory approved by the ~~United States~~ U.S. Department of Agriculture and the ~~secretary~~ Secretary.

~~(6) “Secretary” means the Vermont secretary of agriculture, food and markets, or his or her designee.~~

~~(7) “Contagious disease,” “communicable disease,” “infectious disease,” or “disease” means any disease found in domestic animals which that is capable of directly or indirectly spreading from one domestic animal to another with or without actual contact. “Contagious disease” includes, but is not limited to, all reportable diseases.~~

~~(8)(7) “Deer” means any member of the family cervidae except for white-tailed deer and moose.~~

~~(8) “Domestic fowl” or “poultry” means all domesticated birds of all ages that may be used as human food, or which produce eggs that may be used as human food, excluding those birds protected by 10 V.S.A. part 4.~~

~~(9) “Equine animal” means any member of the family equidae, including, but not limited to, horses, ponies, mules, asses, and zebra zebras.~~

~~(10) “Equine infectious anemia” means swamp fever, the disease of equine animals spread by blood sucking insects and unsterile surgical instruments or equipment that produces cuts or abrasions.~~

~~(11) “Red deer” means domesticated deer of the family cervidae, subfamily cervinae, genus Cervus, species elaphus.~~

~~(12) “Fallow deer” means domesticated deer of the genus Dama, species dama.~~

~~(13) “Ferret” means only the European ferret Mustela putorius furo.~~

~~(11) “Red deer” means domesticated deer of the family cervidae, subfamily cervidae, genus Cervus, species elaphus.~~

~~(12) “Reactor” means an animal that tests positive to any official test required under this chapter.~~

~~(14)(13) “Reportable disease” means any disease determined included in the National List of Reportable Animal Diseases and any disease required by the secretary Secretary by rule to be a reportable disease or contained in the following list:~~

~~(A) Poultry Diseases:~~

~~(B) Avian Influenza~~

~~(C) Fowl Cholera~~

~~(D) Infectious laryngotracheitis~~

~~(E) Mycoplasma Gallisepticum~~

- ~~(F) Newcastle disease~~
- ~~(G) Mycoplasma Synoviae~~
- ~~(H) Psittacosis (Chlamydiosis)~~
- ~~(I) Salmonella:~~
 - ~~(i) pullorum~~
 - ~~(ii) typhimurium~~
 - ~~(iii) other salmonellas~~
- ~~(J) Livestock Diseases:~~
- ~~(K) African Swine Fever~~
- ~~(L) Anaplasmosis~~
- ~~(M) Anthrax~~
- ~~(N) Any Vesicular Disease:~~
 - ~~(i) foot and mouth disease~~
 - ~~(ii) swine vesicular disease~~
 - ~~(iii) vesicular stomatitis~~
 - ~~(iv) vesicular exanthema~~
- ~~(O) Bluetongue~~
- ~~(P) Brucellosis~~
- ~~(Q) Cysticercosis~~
- ~~(R) Dourine~~
- ~~(S) Equine Encephalomyelitis~~
- ~~(T) Equine Infectious Anemia~~
- ~~(U) Hog Cholera~~
- ~~(V) Paratuberculosis (Johne's disease), positive organism detection~~
- ~~(W) Piroplasmosis~~
- ~~(X) Pleuropneumonia~~
- ~~(Y) Pseudorabies~~
- ~~(Z) Rabies~~
- ~~(AA) Rinderpest~~
- ~~(BB) Scabies:~~

~~(i) sarcoptic (cattle)~~

~~(ii) psoroptic (cattle and sheep)~~

~~(CC) Scrapie (sheep)~~

~~(DD) Screwworms~~

~~(EE) Bovine Tuberculosis~~

~~(FF) Malignant Catarrhal Fever~~

~~(GG) Transmissible spongiform encephalopathies~~

~~(15) "Deer" means any member of the family cervidae except for white-tailed deer and moose to be reportable.~~

~~(14) "Secretary" means the Secretary of Agriculture, Food and Markets or designee.~~

§ 1152. ADMINISTRATION; INSPECTION; TESTING

(a) The ~~secretary~~ Secretary shall be responsible for the administration and enforcement of the livestock disease control program. The ~~secretary~~ Secretary may appoint the ~~state veterinarian~~ State Veterinarian to manage the program, and other personnel as are necessary for the sound administration of the program.

(b) The ~~secretary~~ Secretary shall maintain a public record of all permits issued and of all animals tested by the Agency of Agriculture, Food and Markets under this chapter for a period of ~~three~~ five years.

(c) The ~~secretary~~ Secretary may conduct any inspections, investigations, tests, diagnoses, or other reasonable steps necessary to discover and eliminate contagious diseases existing in domestic animals ~~or cultured trout~~ in this ~~state~~ State. The Secretary shall investigate any reports of diseased animals, provided there are adequate resources. In carrying out the provisions of this part, the Secretary or his or her authorized agent may enter any real estate, premises, buildings, enclosures, or areas where animals may be found for the purpose of making reasonable inspections and tests. A livestock owner or the person in possession of the animal to be inspected, upon request of the Secretary, shall restrain the animal and make it available for inspection and testing.

(d) The ~~secretary~~ Secretary may contract and cooperate with the ~~United States~~ U.S. Department of Agriculture ~~and~~, other federal agencies or ~~other~~ states, and accredited veterinarians for the control and eradication of contagious diseases of animals. The ~~secretary~~ Secretary shall consult and cooperate, as appropriate, with the ~~commissioner of fish and wildlife and the commissioner of health~~ Commissioners of Fish and Wildlife and of Health regarding the control of contagious diseases.

(e) If necessary, the ~~secretary~~ Secretary shall set priorities for the use of the funds available to operate the program established by this chapter.

(f) ~~The taking and possessing of an animal which is imported, possessed, or confined for the purpose of hunting shall be regulated by the fish and wildlife board and commissioner of fish and wildlife under the provisions of part 4 of Title 10. However, the secretary shall have jurisdiction over the animal for the purposes described in section 1153 of this title~~ Records produced or acquired by the Secretary under this chapter shall be available to the public, except that the Secretary may withhold or redact a record to the extent needed to avoid disclosing directly or indirectly the identity of individual persons, households, or businesses.

§ 1153. RULES

(a) The Secretary shall adopt rules necessary for the discovery, control, and eradication of contagious diseases and for the slaughter, disposal, quarantine, vaccination, and transportation of animals found to be diseased or exposed to a contagious disease. The Secretary may also adopt rules requiring the disinfection and sanitation of real estate, buildings, vehicles, containers, and equipment ~~which~~ that have been associated with diseased livestock.

(b) The Secretary shall adopt rules establishing fencing and transportation requirements for deer.

(c) The Secretary shall adopt rules necessary for the inventory, registration, tracking, and testing of deer.

§ 1154. INSPECTION AND TESTING

~~(a) The secretary may routinely inspect all domestic animals in the state for contagious diseases.~~

~~(b) The secretary shall investigate any reports of diseased animals, provided there are adequate resources.~~

~~(c) In carrying out the provisions of this part, the secretary, or his or her authorized agent, may enter any real estate, premises, buildings, enclosures, or areas where animals may be found for the purpose of making reasonable inspections and tests.~~

~~(d) A livestock owner or the person in possession of the animal to be inspected, upon request of the secretary, shall restrain the animal and make it available for inspection and testing. [Repealed.]~~

§ 1154a. TESTING OF CULTURED FISH AND FEE FISHING BUSINESSES

~~(a)~~ Health testing of cultured fish ~~shall~~ may be provided to commercial fish farms and fee fishing businesses through an aquaculture inspection program

conducted jointly by the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets and the ~~department of fish and wildlife~~ Department of Fish and Wildlife, in accordance with any memorandum of understanding between the ~~agency~~ Agency and ~~department~~ Department prepared for this purpose as required by ~~Sec. 88 of No. 50 of the Acts of 1991~~ Acts and Resolves No. 50, Sec. 88. Such testing shall be at no charge to the commercial fish farm or fee fishing business. The testing shall be funded jointly from the operating budgets of the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets and the ~~department of fish and wildlife~~ Department of Fish and Wildlife.

~~(b) A commercial fish farm shall, before commencing operation obtain a breeder's license from the commissioner of fish and wildlife as required by 10 V.S.A. § 5207.~~

§ 1155. TUBERCULOSIS TESTING

~~All cattle, red deer, fallow deer, and reindeer within the state shall be tested for tuberculosis on a periodic basis. The secretary shall annually designate a list of towns within which all test eligible cattle are to be tested. [Repealed.]~~

* * *

§ 1157. QUARANTINE

(a) The ~~secretary~~ Secretary may order any domestic animals, the premises upon which they are or have been located, any animal products derived from those domestic animals, and any equipment, materials, or products to which they have been exposed to be placed in quarantine if the animals:

- (1) are affected with a contagious disease;
- (2) have been exposed to a contagious disease;
- (3) may be infected with or have been exposed to a contagious disease;

(4) are suspected of having biological or chemical residues, including antibiotics, in their tissues ~~which~~ that would cause the carcasses of the animals, if slaughtered, to be adulterated within the meaning of chapter 204 of this title; or

(5) are owned or controlled by a person who has violated any provision of this part, and the ~~secretary~~ Secretary finds that a quarantine is necessary to protect the public welfare.

(b) Once a quarantine has been ordered, no animal under quarantine shall be removed from the premises where it is located. The ~~secretary~~ Secretary may limit or prevent other animals from being brought onto the same premises as the quarantined animal.

(c) A verbal quarantine order shall be effective immediately. ~~Notice~~ Written notice of quarantine shall be delivered by certified mail, registered mail, or in person to the owner of the animals or to the person in possession of the animals, or if the owner or person in possession is unknown, by publication in a newspaper of general circulation in the area. The notice shall include:

- (1) a description of the subject of the quarantine;
- (2) an explanation of why the quarantine is necessary;
- (3) the duration of the quarantine, or what condition must be met to lift the quarantine, including conditions for the repopulation of the premises and disinfection of equipment, materials, and products;
- (4) the terms of the quarantine;
- (5) the name and address of the person to be contacted for further information; and
- (6) a statement that the person may request a hearing on the quarantine order.

(d) The ~~secretary~~ Secretary may use placards or any other method deemed necessary to give notice or warning to the general public of the quarantine.

(e) Within 15 days of receiving notice, a person subject to a quarantine order may request a hearing to be held by the ~~secretary~~ Secretary. The hearing shall be held within 60 days from the date of the request unless the ~~secretary~~ Secretary has determined that a longer period is necessary because of the extent of the outbreak of disease, in which case the hearing shall be held as soon as practicable. A request for a hearing shall not stay the quarantine order.

(f) It shall be unlawful to violate the terms of a quarantine order issued pursuant to this section. Any person who knowingly violates a quarantine order shall be subject to a fine of not more than \$5,000.00; or imprisonment for not more than six months, or both. Any person who knowingly violates a quarantine order and causes the spread of a contagious disease beyond the quarantined premises shall be subject to a fine of not more than \$15,000.00; or imprisonment ~~of~~ for not more than two years, or both.

§ 1158. QUARANTINE ~~DISTRICT~~ ZONE

(a) The ~~secretary~~ Secretary may establish a quarantine ~~district~~ zone whenever it is determined that a contagious disease is widely spread throughout an area of the ~~state~~ State and that a quarantine ~~district~~ zone is necessary to contain or prevent the further spread of the disease.

(b) In establishing a quarantine ~~district~~ zone, the ~~secretary~~ Secretary may, by order:

(1) regulate, restrict, or restrain movements of animals, animal products, or vehicles and equipment associated with animals or animal products into, out of, or within the ~~district~~ zone;

(2) detain all animals within the ~~district which~~ zone that might be infected with or have been exposed to the disease for examination at any place specified by the quarantine order; and

(3) take other necessary steps to prevent the spread of and eliminate the disease within the quarantine ~~district~~ zone.

(c) The ~~secretary~~ Secretary shall notify the public of the existence, location, and terms of a quarantine ~~district~~ zone, in a manner deemed appropriate under the circumstances. ~~To the extent that such notice is possible, the secretary shall~~ The Secretary may also notify by certified mail or in person, the owner or person in possession of any animal or animals which must be detained or otherwise regulated within the ~~district~~ zone.

(d) It shall be unlawful to violate the terms of a quarantine ~~district~~ zone order issued pursuant to this section. Any person who knowingly violates a quarantine ~~district~~ zone order shall be subject to a fine of not more than \$5,000.00, or imprisonment for not more than six months, or both. Any person who knowingly violates a quarantine ~~district~~ zone order and causes the spread of a contagious disease beyond the quarantine ~~district~~ zone shall be subject to a fine of not more than \$15,000.00, or imprisonment ~~of~~ for not more than two years, or both.

§ 1159. DISPOSAL OF DISEASED ANIMALS

(a) The ~~secretary~~ Secretary may condemn and order destroyed any animal that is infected with or has been exposed to a contagious disease. An order to destroy an animal shall be based on a determination that the destruction of the animal is necessary to prevent or control the spread of the disease. The ~~secretary~~ Secretary shall order any condemned animal to be destroyed and disposed of in accordance with approved methods ~~as specified by rule~~. The ~~secretary's~~ Secretary's order may extend to some or all of the animals on the affected premises.

(b) The ~~secretary~~ Secretary may order that any real property, building, vehicle, piece of equipment, container, or other article associated with a diseased animal be disinfected and sanitized. Any cost of disinfection incurred by the ~~secretary~~ Secretary shall be deducted from any compensation paid to an animal owner under this section.

(c) The ~~secretary~~ Secretary may compensate the owner of any ~~cattle~~ domestic animal destroyed pursuant to this chapter because of exposure to or infection with ~~brucellosis or tuberculosis~~ contagious disease. ~~Payment shall~~

~~not exceed two thirds of the difference between the salvage value and the appraised value of the animal, and in no event exceed \$250.00 for each purebred or \$200.00 for each grade animal~~ The Secretary, after consultation with the U.S. Department of Agriculture, shall determine the necessity for and amount of compensation on a case-by-case basis.

~~(d) The secretary may compensate the owner of any swine destroyed pursuant to this chapter because of exposure to or infection with brucellosis or tuberculosis. Payment shall not exceed two thirds of the difference between the salvage value and the appraised value of the animal, and in no event exceed \$40.00 for each purebred or \$20.00 for each grade swine.~~

~~(e) The secretary may compensate the owner of deer destroyed pursuant to this chapter because of exposure to or infection with brucellosis, tuberculosis, or transmissible spongiform encephalopathies. Payment shall not exceed two thirds of the difference between the salvage value and the appraised value of the animal, and in no event shall exceed \$250.00 per animal.~~

~~(f)~~ Compensation under this section shall only be paid ~~where~~ when:

~~(1) the owner of an animal destroyed for brucellosis is in compliance with the recommended uniform methods and rules of the state and federal cooperative brucellosis program;~~

~~(2) the agency~~ Agency of Agriculture, Food and Markets ~~has determined the origin of all animals on the premises containing the condemned animal;~~

~~(3)~~(2) ~~all other state~~ applicable State or federal ~~livestock laws statutes, rules, or regulations~~ have been complied with by the owner or person in possession of the animal;

~~(4)~~(3) ~~there are sufficient state~~ State ~~funds appropriated for this purpose; and~~

~~(5)~~(4) ~~in the case of a person who has made a claim for compensation under this section within the previous two years, the secretary~~ Secretary ~~determines that adequate measures were taken to prevent the reintroduction of contagious diseases into that person's herd or flock.~~

~~(g) Payments made pursuant to this section shall be in addition to any compensation paid to the owner by the federal government. The secretary may make additional payments for destroyed animals where federal regulations do not provide for compensation. Additional payments shall not exceed \$100.00 for each purebred animal and \$50.00 for each grade animal.~~

~~(h)~~(e) ~~It shall be unlawful to violate the terms of an order issued pursuant to subsection (a) or (b) of this section. Any person who knowingly violates an order issued pursuant to subsection (a) or (b) of this section shall be subject to~~

a fine of not more than \$5,000.00; or imprisonment for not more than six months, or both. Any person who knowingly violates an order issued pursuant to subsection (a) or (b) of this section and causes the spread of a contagious disease shall be subject to a fine of not more than \$15,000.00; or imprisonment ~~of~~ for not more than two years, or both.

~~(i)~~(f) A destruction order, whether verbal or written, shall take effect immediately on notice to the owner or the person in possession of the animal or animals, if the owner or person in possession is known. The notice shall be given by certified mail or in person. Within 15 days of receiving the notice, the owner or person in possession may request a hearing to be held by the ~~secretary~~ Secretary. The hearing shall be held within 60 days from the date of the request unless the ~~secretary~~ Secretary has determined that a longer period is necessary because of the extent of the outbreak of disease, in which case the hearing shall be held as soon as practicable. A request for a hearing shall not stay the destruction order.

§ 1160. ~~APPROPRIATIONS;~~ EMERGENCY OUTBREAK OF
CONTAGIOUS DISEASE

~~(a) In addition to funds appropriated to carry out the purposes of this chapter, all fees and charges collected under this chapter and any amount received by the state from the sale of condemned animals shall be used to carry out the provisions of this chapter.~~

~~(b)~~ In case of the outbreak within this ~~state~~ State of some contagious disease of domestic animals, or whenever there is reason to believe that there is danger of the introduction into the ~~state~~ State of any contagious disease prevailing among domestic animals outside the ~~state~~ State, the ~~secretary~~ Secretary may take ~~such~~ action and ~~issue such~~ adopt emergency rules as ~~are~~ necessary to prevent the introduction or spread of the disease.

§ 1161. FEES FOR TESTING

~~(a)~~ The ~~secretary~~ Secretary may assess fees necessary to cover the cost of testing ~~poultry~~ domestic animals for contagious diseases.

~~(b) The secretary may negotiate appropriate compensation with those licensed veterinarians acting at his or her request. At minimum, these fees shall be \$5.00 for each farm at which the veterinarian performs a tuberculosis test on an animal, \$.75 for each animal tested in a stanchion barn, and \$1.50 for each animal tested in a loose housing barn.~~

~~(c) The secretary may negotiate appropriate compensation with those licensed veterinarians acting at his or her request to test red deer, fallow deer, or reindeer for tuberculosis. At minimum, these fees shall be \$25.00 for each farm at which the veterinarian performs a tuberculosis test on such deer and \$5.00 for each deer tested.~~

§ 1162. REPORT OF DISEASE

(a) All accredited veterinarians ~~and persons operating animal disease diagnostic laboratories~~ shall immediately report the discovery of any domestic animal within this ~~state which~~ State that is infected with, is suspected of being infected with, or has been exposed to a reportable disease as specified by this chapter. A veterinarian shall immediately report any sudden unexplained morbidity or mortality in a herd or flock located within the State. The report shall be made to the ~~state veterinarian~~ State Veterinarian and shall specify the ~~location~~ physical address where the animal is located; identification and description of the animal; the disease ~~involved,~~ or condition suspected or diagnosed; and the name ~~and, mailing address, and telephone number~~ of the owner or person in possession of the animal.

(b) All persons operating diagnostic laboratories shall immediately report the diagnosis of any domestic animal within this State that has a reportable disease as specified by this chapter. The report shall be made to the State Veterinarian and, in addition to the information required under subsection (a) of this section, shall include a copy of the test chart pertaining to the animal in question.

§ 1163. ADDITIONAL VIOLATIONS

(a) A person who knowingly commits any of the following acts shall be ~~imprisoned not more than six months, or fined not more than \$5,000.00, or both~~ assessed an administrative penalty under section 15 of this title for:

(1) ~~to transport~~ transporting an animal affected with, or exposed to, a contagious disease without first obtaining the permission of the ~~secretary~~ Secretary;

(2) ~~to interfere~~ interfering with any animal disease test conducted pursuant to this chapter;

(3) ~~to advertise, sell, or offer for sale as accredited tuberculosis-free or certified brucellosis-free, any cattle which do not come from herds officially accredited or certified by the secretary or the United States Department of Agriculture;~~

(4) ~~to advertise, sell, or offer~~ advertising, selling, or offering for sale as tested under ~~state~~ State or federal supervision any ~~cattle which do~~ domestic animal that does not come from herds that are under ~~state~~ State or federal supervision;

(5)(4) ~~to fail~~ failing to report the discovery of a reportable disease as required by section 1162 of this title;

~~(6)(5) to interfere~~ interfering with or ~~hinder~~ hindering the work of the ~~secretary~~ Secretary or his or her agents pursuant to this chapter.

(b) A person who knowingly commits any of the following acts shall be imprisoned not more than two years; or fined not more than \$15,000.00, or both for:

(1) ~~to import~~ importing into this ~~state~~ State any animal infected with or exposed to a contagious disease;

(2) ~~to sell, or offer~~ selling or offering for sale for food purposes any animal; or animal carcass; condemned under the provisions of this chapter, unless the animal is inspected and approved for use as human food by an agent of the Secretary or the ~~United States~~ U.S. Department of Agriculture.

§ 1164. CIVIL PENALTIES

(a) A person who violates any provision of this chapter or the rules adopted under this chapter, or who commits any of the acts described in section 1163 of this title shall ~~in addition to any other penalty be subject to a civil penalty of not more than \$5,000.00~~ be assessed an administrative penalty under section 15 of this title. Each violation shall be a separate and distinct offense and, in the case of a continuing violation, each day's continuance thereof shall be deemed a separate and distinct offense. ~~In no event shall the cumulative penalty exceed \$25,000.00 per occurrence.~~

(b) The ~~secretary~~ Secretary may, in the name of the ~~agency~~ Agency of Agriculture, Food and Markets, obtain a temporary or permanent injunction to restrain a violation of this chapter.

(c) After notice and opportunity for hearing, the ~~secretary~~ Secretary may suspend or revoke any license issued pursuant to chapters 63 and 65 of this title for any violation of this chapter.

§ 1165. TESTING OF CAPTIVE DEER

(a) Definitions. As used in this section:

(1) "Captive deer operation" means a place where deer are privately or publicly maintained, in an artificial manner, or held for economic or other purposes within a perimeter fence or confined space.

(2) "Chronic wasting disease" or "CWD" means a transmissible spongiform encephalopathy.

(b) Testing. A person operating a captive deer operation under the jurisdiction of the Secretary of Agriculture, Food and Markets shall inform the Secretary when a captive deer in his or her control dies or is sent to slaughter. The person operating the captive deer operation shall make the carcass of a deceased or slaughtered animal available to the Secretary for testing for CWD.

(c) Cost. The cost of CWD testing required under this section shall be paid by the Secretary, and shall not be assessed to the person operating the captive deer operation from which a tested captive deer originated.

Subchapter 2. Equine Infectious Anemia

§ 1181. CERTIFICATION REQUIRED

(a) Any equine animal imported into the ~~state~~ State or transported through the ~~state~~ State shall be accompanied by a ~~certificate of veterinarian inspection~~ Certificate of Veterinarian Inspection. The certificate shall state that the equine animal has been tested negative to equine infectious anemia (EIA) by an accredited veterinarian.

(b) Any equine animal purchased, sold, offered for sale, bartered, exchanged, or given away within the ~~state~~ State, or imported for one of these purposes, shall be tested by an accredited veterinarian and certified as negative to equine infectious anemia in accordance with rules adopted by the ~~secretary~~ Secretary as provided by subsection (f) of this section. A test for equine infectious anemia shall not be required ~~where~~ when:

(1) the transfer of ownership is between the owner of the animal and his or her spouse, child, or sibling and where the animal is not moved to new premises;

~~(2) the transfer of ownership is between the owner of the animal and a livestock dealer and is conducted in accordance with such rules as the secretary may adopt to ensure that an untested animal does not expose other horses to equine infectious anemia; or~~

~~(3)~~(2) the animal is consigned directly to slaughter.

(c) Whenever the ~~secretary~~ Secretary has reason to believe that any equine animal has been exposed to equine infectious anemia and that the animal may pose a threat to other equine animals, the ~~secretary~~ Secretary may require that the animal be tested for equine infectious anemia by an accredited veterinarian or ~~full-time state~~ State or federal ~~employee~~ veterinarian approved by the Secretary.

(d) The ~~secretary~~ Secretary may require by rule that any equine animal transported to any fair, show, competition, or other gathering of equine animals be accompanied by a certificate ~~which~~ that states that the equine animal has been tested and found negative to equine infectious anemia.

(e) The ~~secretary~~ Secretary shall establish by rule the form and manner of required certifications and the periods of time within which testing and certification of equine animals shall be accomplished.

(f) The ~~secretary~~ Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25, for the purchase by a livestock dealer for resale or for slaughter, of equine not known to be tested for equine infectious anemia, as authorized by subsection (b) of this section. The rules shall include specifications governing equine quarantine facilities, procedures for equine animals of unknown EIA status intended for resale to be retested, procedures for handling equine animals of unknown EIA status purchased for slaughter, and ~~record-keeping~~ record-keeping requirements for livestock dealers.

§ 1182. TESTING OF EQUINE ANIMALS

(a) Testing of equine animals for equine infectious anemia shall be done by an accredited ~~graduate~~ veterinarian licensed in the State by means of a Coggins test or other test acceptable to the ~~secretary~~ Secretary, at the owner's expense.

(b) Any equine animal found to be a reactor by means of a test under subsection (a) of this section shall be administered a second test ~~within 72 hours of receipt of the results of the first test~~ in accordance with the applicable State and federal statutes, rules, or regulations.

(c) Any equine animal found to be a reactor shall be quarantined in accordance with instructions of the ~~secretary~~ Secretary between receipt of the results of the first and second tests. Any equine animal found to be a reactor to a second test shall continue to be quarantined until adequate arrangements are made for disposition of the animal in accordance with section 1183 of this title.

(d) Any veterinarian who identifies an equine animal as a reactor shall report that animal to the ~~secretary~~ Secretary in a form and manner to be prescribed by rule of the ~~secretary~~ Secretary.

~~(e) The secretary shall notify veterinarians and owners of equine animals in the immediate area of the location of the diseased animal. The immediate area shall be defined by the secretary as necessary to meet the specific circumstances created by the diseased animal.~~

§ 1183. DISPOSITION OF REACTORS

(a) Any equine animal identified as a reactor through testing as provided in subsections 1182(a) and (b) of this title shall be humanely destroyed within seven days of the second test. The destruction of the animal shall be by ~~an accredited graduate~~ a licensed veterinarian, ~~or by any other person if~~ and shall be observed by the ~~secretary~~ Secretary or an agent of the ~~United States~~ U.S. Department of Agriculture.

(b) Notwithstanding the provisions of subsection (a) of this section, a reactor may be transported to an approved slaughterhouse or research facility where authorized by written permission of the ~~secretary~~ Secretary. In granting

permission, the ~~secretary~~ Secretary may specify the conditions under which the animal shall be quarantined, transported, and destroyed.

(c) Any ~~person, including an accredited graduate~~ licensed veterinarian; who destroys any equine animal in accordance with the provisions of this section shall immediately report the destruction of the animal to the ~~secretary within seven days~~ Secretary.

(d) As an alternative to the destruction of animals under the provisions of subsections (a) and (b) of this section, reactors may be isolated permanently under quarantine from all other equine animals and shall be conspicuously freezebranded with the letters "EIA." In no case shall this action be delayed for more than two weeks. The quarantine shall apply to all equine animals on the premises where the reactor is located; and shall remain in effect until the reactor is destroyed or isolated under quarantine and the remaining equine animals are tested and found to be negative.

(e) The provisions of this section shall be implemented by rule of the ~~secretary~~ Secretary.

§ 1184. PENALTIES

~~Any person who violates subsection 1183(a) of this title shall be fined not less than \$500.00 nor more than \$2,500.00. Any person who violates the provisions of section 1181, 1182, or subsection 1183(b), (c), or (d) of this title shall be fined not more than \$500.00~~ shall be assessed an administrative penalty under section 15 of this title.

Sec. 4. 6 V.S.A. chapter 107 is amended to read:

CHAPTER 107. ~~IMPORTS AND EXPORTS~~ MOVEMENT OF LIVESTOCK AND POULTRY

§ 1459. DEFINITIONS

As used in this chapter:

(1) "Commercial slaughter facility" shall have the same meaning as "commercial slaughterhouse" set forth in section 3302 of this title.

(2) "Livestock" shall have the same meaning as set forth in section 3302 of this title.

(3) "Offloaded" means removed or otherwise taken off or away from the conveyance of transport.

(4) "Poultry" shall have the same meaning as set forth in section 3302 of this title.

(5) “Reactor” means livestock or poultry that test positive to a test required under this chapter.

(6) “Suspect” means livestock or poultry that are tested under a requirement in this chapter and are not classified as testing positive or negative.

§ 1460. INTERSTATE MOVEMENT; ADMINISTRATION

(a) In order to implement the requirements of this chapter and chapter 63 of this title related to the licensing of livestock businesses, the Secretary of Agriculture, Food and Markets shall require importers of livestock or poultry into the State to comply with minimum requirements of the U.S. Department of Agriculture Animal Disease Traceability rule, 9 C.F.R. part 86, including any future amendments to the rule.

(b) In order to prevent the introduction or spread of contagious disease, or to ensure adequate animal traceability within this State, the Secretary may adopt rules to mandate stricter movement requirements than those required by the U.S. Department of Agriculture Animal Disease Traceability rule.

§ 1461. IMPORT AND EXPORT DOCUMENTATION REQUIRED

(a) Import permit. ~~No person shall import, or cause~~ The Secretary of Agriculture, Food and Markets may require a person who imports or causes to be imported into this State; any domestic animal except dogs and cats, ~~without to first obtaining~~ obtain an import permit from the Secretary, except as the Secretary may provide by rule. Permits shall be issued ~~on forms provided in a manner approved~~ by the Secretary. ~~Within ten days of importing an animal into Vermont, the importer shall return the import permit, detailing all information which the Secretary may reasonably require, to the Vermont Agency of Agriculture, Food and Markets. Persons importing horses shall not be required to obtain an import permit under this subsection unless there is a substantial danger of the introduction of a contagious disease into this State. In such case, the Secretary may require import permits for horses by emergency rule.~~

(b) Certificates of veterinary inspection. No person shall import, or cause to be imported; any domestic animal into this State without first obtaining a ~~certificate of veterinary inspection~~ Certificate of Veterinary Inspection, ~~except for equine imported for resale or slaughter as provided by subsection 1181(b) of this title, and~~ except as the Secretary may provide by rule. The certificate shall be issued by an accredited and licensed veterinarian in the state, or country, of origin. The certificate shall contain a statement by the ~~chief livestock official~~ state animal health official for that state certifying that the veterinarian who executed the certificate is licensed to practice veterinary

medicine in that state or country and is accredited by the U.S. Department of Agriculture to sign ~~certificate of veterinary inspection~~ a Certificate of Veterinary Inspection. The certificate shall be issued electronically or on a form prescribed by the state of origin, and declare that all of the animals listed have been inspected, ~~or tested, or both inspected and tested,~~ as required by the ~~laws of Vermont~~ applicable State and federal statutes, rules, and regulations. The certificate shall also set forth the name and address of the owner of any animal transferred pursuant to the certificate. One copy of the certificate shall accompany the animals during transportation, and one copy shall be filed with the Secretary. A Certificate of Veterinary Inspection that is issued electronically shall meet the data standards established by the National Assembly of State Animal Health Officials in consultation with the U.S. Department of Agriculture.

(c) Exemption. The Secretary may, by rule, exempt from the provisions of this section transactions concerning domestic animals transported into this State for immediate slaughter. A person who so imports an animal without a permit and then does not immediately slaughter the animal shall be subject to the provisions of this section.

(d) Exportation. A person wishing to export domestic animals to another state or country shall comply with all the requirements of that state or country for the importation of domestic animals.

§ 1461a. INTRASTATE MOVEMENT

(a) The Secretary of Agriculture, Food and Markets shall require all livestock being transported within the State to satisfy the requirements for official identification for interstate movement under the U.S. Department of Agriculture Animal Disease Traceability rule, 9 C.F.R. part 86, including any future amendments to the rule, prior to leaving the premises of origin, regardless of the reason for movement or duration of absence from the premises.

(b) Livestock transported from the premises of origin for purposes of receiving veterinary care at a hospital in this State are exempt from the requirements of subsection (a) of this section, provided that the livestock are returned to the premises of origin immediately following the conclusion of veterinary care.

(c) Livestock and poultry that are transported to a commercial slaughter facility within the State shall not be removed from the facility without the facility's owner's first obtaining written permission from the State Veterinarian. For purposes of this section, arrival of the conveyance onto facility property constitutes transport to a slaughter facility, regardless of whether the animals have been offloaded or presented for antemortem

inspection. The State Veterinarian may require inspection and testing prior to issuing consent for removal.

(d) Vermont-origin livestock and poultry that are transported to a slaughter facility outside this State shall not be removed from the facility and returned to Vermont without the facility's owner's first obtaining written permission from the State Veterinarian. For purposes of this section, arrival of the conveyance onto facility property constitutes transport to a slaughter facility, regardless of whether the animals have been offloaded or presented for antemortem inspection. The State Veterinarian may require inspection and testing prior to issuing consent for removal.

(e) A person shall not transport out-of-state livestock or poultry into Vermont for slaughter or other purpose without written consent from the State Veterinarian if the livestock or poultry is classified as a suspect or a reactor by the U.S. Department of Agriculture or was exposed to livestock or poultry classified as a suspect or a reactor.

§ 1462. QUARANTINE

The ~~secretary~~ Secretary may require by rule in general, or order in specific cases, that any domestic ~~animals~~ animal imported into this ~~state~~ State be placed in quarantine.

§ 1463. EXAMINATION; RELEASE FROM QUARANTINE

Within a reasonable time, the ~~secretary~~ Secretary shall examine any imported domestic animal placed in quarantine; and may apply such tests or retests as the ~~secretary~~ Secretary deems necessary to determine the health of ~~such~~ the animals. After ~~test~~ tests or retests ordered by the ~~secretary~~ Secretary have been applied, any domestic animal found free from contagious or infectious disease shall be released from quarantine, unless the ~~secretary~~ Secretary determines that the animal may have been exposed to a contagious disease and that it is necessary to continue the quarantine in order to prevent the potential spread of a contagious disease. Any ~~such~~ order shall be made in the manner provided by section 1157 of this title.

§ 1464. SLAUGHTER; EXPENSES

The ~~secretary~~ Secretary may take all steps that he or she deems necessary to prevent the potential spread of a contagious or an infectious disease, including ~~but not limited to~~, continuing a quarantine order concerning imported animals found to be infected with or exposed to a contagious disease. ~~Where~~ When necessary to protect the health of other domestic animals, or to prevent or control the spread of contagious disease, the ~~secretary~~ Secretary may order any domestic animal imported into the ~~state which~~ State that is infected with or has been exposed to an infectious or contagious disease condemned; and

destroyed, and the carcass disposed with, in accordance with the provisions of section 1159 of this title. The owner shall bear the expense of detention, examination, test, and slaughter but not the personal expenses of the ~~secretary~~ Secretary.

§ 1466. EXCEPTIONS

Nothing in sections 1461-1465 of this title shall be construed to apply to the transportation of domestic animals through the ~~state~~ State, ~~nor shall it apply to horses that are driven into and out of the state on business or pleasure. This exemption shall not apply, however, if such animals remain in the state for more than 48 hours~~ State, provided that the animals are not offloaded within the State and the premises of the consignee are not within the State.

§ 1467. TEST AND INSPECTION IN STATE OF ORIGIN

(a) Any domestic animal brought into the ~~state~~ State shall be tested and inspected in the state of origin when testing or inspection is required by rule. Imported domestic animals may be retested at the discretion of the ~~secretary~~ Secretary.

(b) In order to prevent the spread of infections or contagious diseases, any domestic animal brought into the ~~state~~ State without having been first tested and inspected, as required by the ~~secretary's~~ Secretary's rules, may be returned to the state of origin within 48 hours of a determination by the ~~secretary~~ Secretary that the animals have been illegally imported. While in the ~~state~~ State, the illegally imported domestic animals shall be strictly quarantined. In the event that the domestic animals cannot be returned to the state of origin, the animals ~~shall~~ may be slaughtered or euthanized within 72 hours of a determination by the ~~secretary~~ Secretary that the animals have been illegally imported. The owner of the domestic animals shall bear the full expense of their removal from the ~~state~~ State, or destruction, and shall not be entitled to any compensation from the ~~state~~ State.

§ 1468. PERMITS TO PERSONS NEAR STATE LINE; ~~SECRETARY~~
GRANT OF PERMISSION OF ENTRY DURING FAIR SEASON

Persons living near the ~~state~~ State line who own or occupy land in an adjoining state may procure from the ~~secretary~~ Secretary permits to drive, herd, or transport cattle, horses, or other livestock back and forth to seasonal pasture ~~and for other purposes or housing~~, subject to such restrictions as the ~~secretary~~ Secretary may prescribe by rule or order. ~~The secretary may make such rules in each case as are deemed necessary. The secretary~~ The Secretary may grant permission for cattle, horses, or other domestic animals to enter the state State for exhibition purposes during the fair season and between May 1 and October 31 of any year. The Secretary may make such adopt rules in

~~connection therewith as are deemed necessary regarding entry of cattle, horses, or other domestic animals into the State for seasonal pasture, housing, or exhibition purposes.~~

§ 1469. PENALTIES-ILLEGAL IMPORTATION

(a) A person engaged in a commercial enterprise who violates a provision of this chapter, the rules adopted thereunder, a permit issued pursuant to this chapter, or an order issued pursuant to this chapter ~~shall be fined not more than \$15,000.00, or imprisoned for not more than two years, or both~~ may be assessed an administrative penalty under section 15 of this title.

(b) ~~The secretary~~ Secretary may seek a temporary or permanent injunction to enforce the provisions of this chapter, the rules adopted under this chapter, a permit issued pursuant to this chapter, or an order issued pursuant to this chapter.

(c) ~~The secretary~~ Secretary may suspend or revoke a license issued under ~~chapters chapter 63 and 65~~ chapter 63 of this title for a violation of this chapter, the rules adopted under this chapter, a permit issued pursuant to this chapter, or an order issued pursuant to this chapter in accordance with the provisions of the Administrative Procedure Act, 3 V.S.A. chapter 25 of Title 3.

§ 1471. ~~EXPORTATION~~

~~A person wishing to export domestic animals to another state or country shall comply with all the requirements of that state or country for the importation of domestic animals. [Repealed.]~~

* * *

§ 1475. RULEMAKING

The ~~secretary~~ Secretary may adopt rules to carry out the provisions of this chapter.

§ 1476. MISUSE OR REMOVAL OF OFFICIAL IDENTIFICATION DEVICES

A person who, without authority from the Secretary, removes or causes to be removed from an animal any official identification device as defined in 9 C.F.R. § 86.1, or otherwise misuses or causes an official identification device to be misused, may be imprisoned not more than one year or fined not more than \$1,000.00, or both.

§ 1477. REVOCATION OF LIVESTOCK DEALER LICENSE

The Secretary may revoke for a period of one year the license of a livestock dealer who has been convicted of a violation of the provisions of section 1476 of this chapter, and the license shall not be renewed prior to the expiration of one year from the date of conviction.

Sec. 5. 6 V.S.A. chapter 113 is amended to read:

CHAPTER 113. FEEDING PROHIBITED FOOD WASTE TO SWINE

§ 1671. DEFINITION

~~For the purpose of (a)~~ As used in this chapter, “prohibited food waste” means all the following:

(1) Pre- and postconsumer waste material derived in whole or in part from the meat of any animal (including fish and poultry), or from other animal material; ~~or~~

~~(2) other than processed dairy products, and other refuse of any character whatsoever that has been associated with any such material, resulting from the handling, preparation, cooking, disposal, or consumption of food, except that such term shall not include~~ Material that, as a result of the handling, preparation, cooking, disposal, or consumption of food, has come into contact with pre- or postconsumer waste material derived in whole or in part from the meat of any animal, including fish or poultry, or from other animal material.

(b) The term “prohibited food waste” shall not include the following:

(1) waste from ordinary household operations which that is fed directly to swine raised exclusively for the use in the household of the owner of the swine by members of the household and nonpaying guests and employees; and

(2) processed dairy products.

§ 1672. FEEDING OF PROHIBITED FOOD WASTE

No person shall feed prohibited food waste to swine or supply prohibited food waste to others for the purpose of feeding it to swine.

§ 1675. INSPECTION AND INVESTIGATION; RECORDS

Any authorized representative of the Vermont ~~agency of agriculture, food and markets or United States~~ Agency of Agriculture, Food and Markets or U.S. Department of Agriculture is authorized to enter at reasonable times upon any private or public property for the purpose of inspecting and investigating the allegations of feeding of prohibited food waste to swine.

§ 1676. REGULATIONS; COOPERATION WITH UNITED STATES

The ~~agency~~ Agency is charged with administration and enforcement of the provisions of this chapter, and is authorized to adopt rules and enforce all ~~rules~~ State and federal laws, rules, and regulations which that it deems necessary to carry out the purposes of this chapter. The ~~agency~~ Agency is authorized to cooperate with the ~~United States agency of agriculture~~ U.S. Department of Agriculture.

§ 1677. PENALTIES

A person who violates any of the provisions of, or who fails to perform any duty imposed by this chapter, or who violates any rule or regulation adopted hereunder ~~shall be fined not less than \$10.00 nor more than \$100.00 for each offense~~ shall be assessed an administrative penalty under section 15 of this title. Each day upon which such violation occurs constitutes a separate offense. In addition thereto, ~~such~~ the person may be enjoined from further violation. ~~The secretary may also seek administrative penalties under section 15 of this title for violations of this chapter.~~

Sec. 6. 6 V.S.A. chapter 115 is amended to read:

CHAPTER 115. VETERINARY ~~MEDICINES~~ PHARMACEUTICALS

§ 1731. SALE, DISTRIBUTION, OR USE

(a) A person, firm, or corporation other than a licensed ~~graduate~~ veterinarian shall not sell, trade, distribute, or use in this ~~state~~ State any product containing live germs, cultures, or virulent products for the treatment of any domestic animal without first obtaining ~~the approval of and a permit issued by the secretary of agriculture, food and markets~~ written authorization from the Secretary of Agriculture, Food and Markets.

(b) In no case may a person, firm, or corporation, including licensed veterinarians, use or possess virulent live virus hog cholera vaccine.

§ 1732. PENALTIES

A person, firm, or corporation who violates a provision of section 1731 of this title shall be ~~imprisoned not more than six months or fined not more than \$200.00 nor less than \$25.00, or both~~ assessed an administrative penalty under section 15 of this title.

§ 1733. ~~SALE OR USE OF TUBERCULIN; LABELS; REPORTS~~

~~All tuberculin sold, given away, or used within this state shall bear a label stating the name and address of the person, firm, or institution making it and the date of preparation. A person selling or giving away tuberculin shall report to the secretary the amount of tuberculin sold or given away, the degree of strength, the name and address of the person to whom sold or given, and the date of delivery. Such report shall include the address of and be signed by the person or firm making the report. [Repealed.]~~

§ 1734. ~~DUTIES OF BUYER OF TUBERCULIN~~

~~A person buying or procuring tuberculin shall not use or dispose of it until assured in writing by the person from whom the tuberculin is received that its delivery has been reported to the secretary or unless he has reported its receipt to such secretary with information required to be furnished by those who~~

~~distribute tuberculin. The person buying or procuring tuberculin shall keep a correct record of the amount received, the amount used, and the amount on hand. He shall report these facts whenever any tuberculin is used and, if at any time unused tuberculin is not deemed fit or is not to be used, such person shall forward it to such secretary with a statement showing his name and address, where and when such tuberculin was procured, the amount procured at the time, and the amount used. If the amount forwarded to such secretary and the amount used do not equal the amount procured, a statement shall be made as to the disposition of the remainder. [Repealed.]~~

~~§ 1735. PENALTIES—FORFEITURE OF VETERINARY'S CERTIFICATE~~

~~A veterinary surgeon who violates a provision of sections 1733 and 1734 of this title shall forfeit his or her certificate to practice and thereafter be debarred from practicing his or her profession within the state of Vermont, until such disability is legally removed. [Repealed.]~~

~~§ 1736. FINE OR IMPRISONMENT~~

~~A person who violates a provision of sections 1733 and 1734 of this title shall be fined not more than \$200.00 nor less than \$10.00, or be imprisoned not more than six months, or both. [Repealed.]~~

Sec. 7. REPEAL

6 V.S.A. chapter 109 (ear tags) is repealed.

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

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

Senator Pollina, 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 Agriculture.

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

Bill Passed in Concurrence with Proposal of Amendment

H. 3.

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

An act relating to burial depth in cemeteries.

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

H. 136.

House bill entitled:

An act relating to accommodations for pregnant employees.

Was taken up.

Thereupon, pending third reading of the bill, Senator Branagan moved to amend the Senate proposal of amendment in Sec. 2, 21 V.S.A. § 495k, accommodations for pregnancy-related conditions, by adding a new subsection (d) to read as follows:

(d) Nothing in this section shall be construed to indicate or deem that a pregnancy-related condition necessarily constitutes a disability.

Which was agreed to.

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

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

H. 145.

House bill entitled:

An act relating to establishing the Mental Health Crisis Response Commission.

Was taken up.

Thereupon, pending third reading of the bill, Senator Flory moved to amend the Senate proposal of amendment in Sec. 1, 18 V.S.A. § 7257a, in subdivision (b)(1), by striking out the second sentence in its entirety and inserting in lieu thereof a new sentence to read as follows: A law enforcement officer or mental health crisis responder involved in an interaction not resulting in death or serious bodily injury is encouraged to refer the interaction for optional review to the Commission, including interactions with positive outcomes that could serve to provide guidance in effective strategies.

Which was agreed to.

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

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 184. An act relating to evaluation of suicide profiles.

H. 462. An act relating to social media privacy for employees.

H. 502. An act relating to modernizing Vermont's parentage laws.

H. 507. An act relating to Next Generation Medicaid ACO pilot project reporting requirements.

Adjournment

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

THURSDAY, APRIL 20, 2017

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Elissa JohnK of East Montpelier.

Message from the House No. 48

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

Mr. President:

I am directed to inform the Senate that:

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

H. 494. An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

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. Brennan of Colchester
Rep. Potter of Clarendon
Rep. Bissonnette of Winooski.

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

S. 23. An act relating to juvenile jurisdiction.

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

Bill Referred to Committee on Finance

S. 113.

Senate 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 food and lodging establishments.

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. 238.

An act relating to modernizing and reorganizing Title 7.

Proposal of Amendment; Third Reading Ordered

H. 230.

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

An act relating to consent by minors for mental health treatment related to sexual orientation and gender identity.

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 196 is amended to read:

**CHAPTER 196. ~~CONVERSION THERAPY~~ OUTPATIENT MENTAL
HEALTH TREATMENT FOR MINORS**

Subchapter 1. Consent by Minors for Mental Health Care

§ 8350. CONSENT BY MINORS FOR MENTAL HEALTH TREATMENT

A minor may give consent to receive any legally authorized outpatient treatment from a mental health professional, as defined in section 7101 of this title. Consent under this section shall not be subject to disaffirmance due to

minority of the person consenting. The consent of a parent or legal guardian shall not be necessary to authorize outpatient treatment. As used in this section, "outpatient treatment" means psychotherapy and supportive counseling, but not prescription drugs.

Subchapter 2. Prohibition of Conversion Therapy

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

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

An act relating to consent by minors for mental health treatment.

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. 513.

Senator Baruth, for the Committee on Education, to which was referred House bill entitled:

An act relating to making miscellaneous changes to education 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:

* * * Approved Independent Schools Study Committee * * *

Sec. 1. APPROVED INDEPENDENT SCHOOLS STUDY COMMITTEE

(a) Creation. There is created the Approved Independent Schools Study Committee to consider and make recommendations on the criteria to be used by the State Board of Education for designation as an "approved" independent school.

(b) Membership. The Committee shall be composed of the following ten members:

(1) one current member of the House of Representatives who shall be appointed by the Speaker of the House;

(2) one current member of the Senate who shall be appointed by the Committee on Committees;

(3) the Chair of the State Board of Education or designee;

(4) the Secretary of Education or designee;

(5) the Executive Director of the Vermont Superintendent's Association or designee;

(6) the Executive Director of the Vermont School Boards Association or designee;

(7) the Executive Director of the Vermont Independent Schools Association or designee;

(8) two representatives of approved independent schools, who shall be chosen by the Executive Director of the Vermont Independent Schools Association; and

(9) the Executive Director of the Vermont Council of Special Education Administrators or designee.

(c) Powers and duties. The Committee shall consider and make recommendations on the criteria to be used by the State Board of Education for designation as an "approved" independent school, including the following criteria:

(1) the school's enrollment policy and any limitation on a student's ability to enroll;

(2) how the school should be required to deliver special education services and which categories of these services; and

(3) the scope and nature of financial information and special education information that should be required to be reported by the school to the State Board or Agency of Education.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Education.

(e) Report. On or before January 15, 2018, the Committee shall submit a written report to the House and Senate Committees on Education with its findings and any recommendations, including recommendations for any amendments to legislation.

(f) Meetings.

(1) The Secretary of Education shall call the first meeting of the Committee to occur on or before May 30, 2017.

(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 January 16, 2018.

(g) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than seven meetings.

(2) Other members of the Committee 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 for no more than seven meetings.

* * * Educational and Training Programs for College Credit * * *

Sec. 2. APPROPRIATION TO THE VERMONT STATE COLLEGES
TO EXPAND EDUCATION AND TRAINING EVALUATION
SERVICES PROGRAM

The sum of \$20,000.00 is appropriated from the Next Generation Initiative Fund created pursuant to 16 V.S.A. § 2887 to the Vermont State Colleges for the purpose of providing funding for the Colleges' Education and Training Evaluation Services Program. The Vermont State Colleges shall use the appropriation to evaluate or reevaluate educational and training programs for college credit at no cost or at a reduced cost to the programs being evaluated. The Vermont State Colleges shall identify training programs in the skilled trades, including the plumbing and electrical trades, to receive these evaluation services. The Vermont State Colleges shall, on or before January 15, 2018, issue a report to the House and Senate Committees on Education describing how the funds appropriated pursuant to this section have been spent, how any remaining funds appropriated pursuant to this section will be spent, and the number and nature of the programs evaluated or reevaluated and the results of the evaluations.

* * * Student Enrollment; Small School Grant * * *

Sec. 3. 16 V.S.A. § 4015 is amended to read:

§ 4015. SMALL SCHOOL SUPPORT

(a) In this section:

(1) "Eligible school district" means a school district that operates at least one school; and

(A) has a two-year average combined enrollment of fewer than 100 students in all the schools operated by the district; or

(B) has an average grade size of 20 or fewer.

(2) "Enrollment" means the number of students who are enrolled in a school operated by the district on October 1. A student shall be counted as one whether the student is enrolled as a full-time or part-time student. Students enrolled in prekindergarten programs shall not be counted.

(3) "Two-year average enrollment" means the average enrollment of the two most recently completed school years.

(4) "Average grade size" means two-year average enrollment divided by the number of grades taught in the district on October 1. For purposes of this calculation, kindergarten and prekindergarten programs shall be counted together as one grade.

* * *

* * * Vermont Standards Board for Professional Educators * * *

Sec. 4. 16 V.S.A. § 1693 is amended to read:

§ 1693. STANDARDS BOARD FOR PROFESSIONAL EDUCATORS

(a) There is hereby established the Vermont Standards Board for Professional Educators comprising 13 members as follows: seven teachers, two administrators, one of whom shall be a school superintendent, one public member, one school board member, one representative of educator preparation programs from a public institution of higher education, and one representative of educator preparation programs from a private institution of higher education.

* * *

Sec. 5. TRANSITIONAL PROVISION

A superintendent shall be appointed to the Vermont Standards Board for Professional Educators upon the next expiration of the term of a member who is serving on the Board as an administrator.

* * * Speech-Language Pathologists * * *

Sec. 6. 26 V.S.A. § 4451 is amended to read:

§ 4451. DEFINITIONS

As used in this chapter:

* * *

(5) “Educational speech-language pathologist” means a speech-language pathologist who is employed by a supervisory union or public school district in Vermont or an independent school approved for special education purposes for the purpose of providing speech-language pathology.

(6) “Secretary” means the Secretary of State.

~~(6)~~(7) “Speech-language pathologist” means a person licensed to practice speech-language pathology under this chapter, but shall not include an educational speech-language pathologist.

~~(7)~~(8) “Speech-language pathology” means the application of principles, methods, and procedures related to the development and disorders of human communication, which include any and all conditions that impede the normal process of human communication.

Sec. 7. 26 V.S.A. § 4454 is amended to read:

§ 4454. CONSTRUCTION

(a) This chapter shall not be construed to limit or restrict in any way the right of a practitioner of another occupation that is regulated by this State from performing services within the scope of his or her professional practice.

(b) This chapter shall not be construed to apply to an educational speech-language pathologist, except to the extent that an educational speech-language pathologist provides speech-language pathology services outside a school environment. An educational speech-language pathologist shall be subject to the licensing, training, and professional standards provisions of 16 V.S.A. chapter 51. To the extent that an educational speech-language pathologist provides speech-language pathology services outside a school environment, the educational speech-language pathologist shall be subject to the licensing, training, and professional standards provisions of this chapter.

Sec. 8. TRANSITIONAL PROVISION

An individual holding an educator license with an endorsement for educational speech-language pathologist from the Agency of Education shall retain that endorsement and shall renew it with the Agency as required by law, in addition to licensure with the Agency of Education.

* * * Renewal of Principal’s Contracts * * *

Sec. 9. 16 V.S.A. § 243(c) is amended to read:

(c) Renewal and nonrenewal. A principal who has been continuously employed for more than two years in the same position has the right either to have his or her contract renewed, or to receive written notice of nonrenewal ~~at least 90 days before~~ on or before February 1 of the year in which the existing

contract expires. Nonrenewal may be based upon elimination of the position, performance deficiencies, or other reasons. The written notice shall recite the grounds for nonrenewal. If nonrenewal is based on performance deficiencies, the written notice shall be accompanied by an evaluation performed by the superintendent. At its discretion, the school board may allow a period of remediation of performance deficiencies prior to issuance of the written notice. After receiving such a notice, the principal may request in writing, and shall be granted, a meeting with the school board. Such request shall be delivered within 15 days of delivery of notice of nonrenewal, and the meeting shall be held within 15 days of delivery of the request for a meeting. At the meeting, the school board shall explain its position, and the principal shall be allowed to respond. The principal and any member of the board may present written information or oral information through statements of others, and the principal and the board may be represented by counsel. The meeting shall be in executive session unless both parties agree in writing that it be open to the public. After the meeting, the school board shall decide whether or not to offer the principal an opportunity to renew his or her contract. The school board shall issue its decision in writing within five days. The decision of the school board shall be final.

* * * Postsecondary Schools * * *

Sec. 10. 16 V.S.A § 176(d) is amended to read:

(d) Exemptions. The following are exempt from the requirements of this section except for the requirements of subdivision (c)(1)(C) of this section:

* * *

(4) Postsecondary schools that are accredited. The following postsecondary institutions are accredited, meet the criteria for exempt status, and are authorized to operate educational programs beyond secondary education, including programs leading to a degree or certificate: Bennington College, ~~Burlington College~~, Champlain College, College of St. Joseph, Goddard College, Green Mountain College, Landmark College, Marlboro College, Middlebury College, New England Culinary Institute, Norwich University, Saint Michael's College, SIT Graduate Institute, Southern Vermont College, Sterling College, Vermont College of Fine Arts, and Vermont Law School. This authorization is provided solely to the extent necessary to ensure institutional compliance with federal financial aid-related regulations, and it does not affect, rescind, or supersede any preexisting authorizations, charters, or other forms of recognition or authorization.

* * *

* * * Educational Opportunities * * *

Sec. 11. 16 V.S.A § 165(b) is amended to read:

(b) ~~Every two years~~ Annually, the Secretary shall determine whether students in each Vermont public school are provided educational opportunities substantially equal to those provided in other public schools. If the Secretary determines that a school is not meeting the education quality standards listed in subsection (a) of this section or that the school is making insufficient progress in improving student performance in relation to the standards for student performance set forth in subdivision 164(9) of this title, he or she shall describe in writing actions that a district must take in order to meet either or both sets of standards and shall provide technical assistance to the school. If the school fails to meet the standards or make sufficient progress ~~by the end of the next two year period~~ within two years of the determination, the Secretary shall recommend to the State Board one or more of the following actions:

* * *

* * * Local Education Agency * * *

Sec. 12. 16 V.S.A. § 563 is amended to read:

§ 563. POWERS OF SCHOOL BOARDS; FORM OF VOTE

The school board of a school district, in addition to other duties and authority specifically assigned by law:

* * *

(26) ~~Shall carry out the duties of a local education agency, as that term is defined in 20 U.S.C. § 7801(26), for purposes of determining student performance and application of consequences for failure to meet standards and for provision of compensatory and remedial services pursuant to 20 U.S.C. §§ 6311-6318. [Repealed.]~~

* * *

* * * State-placed and Homeless Students * * *

Sec. 13. 16 V.S.A § 1075 is amended to read:

§ 1075. LEGAL RESIDENCE DEFINED; RESPONSIBILITY AND PAYMENT OF EDUCATION OF STUDENT

* * *

(c) State-placed students.

(1) A State-placed student in the legal custody of the Commissioner for Children and Families, other than one placed in a 24-hour residential facility

and except as otherwise provided in this subsection, shall be educated by ~~the school district in which the student is living~~ the student's school of origin, unless an alternative plan or facility for the education of the student is agreed upon by Secretary the student's education team determines that it is not in the student's best interest to attend the school of origin. The student's education team shall include, as applicable, the student, the student's parents and foster parents, the student's guardian ad litem and educational surrogate parent, representatives of both the school of origin and potential new school, and a representative of the Family Services Division of the Department for Children and Families. In the case of a dispute as to where a State-placed student is living, the Secretary shall conduct a hearing to determine which school district is responsible for educating the student. The Secretary's decision shall be final about whether it is in the student's best interest to attend the school of origin, the Commissioner for Children and Families shall make the final decision. As used in this section, "school of origin" means the school in which the child was enrolled at the time of placement into custody of the Commissioner for Children and Families, or in the case of a student already in the custody of the Commissioner for Children and Families, the school the student most recently attended.

(2) If a student is a State-placed student pursuant to subdivision 11(a)(28)(D)(i)(I) of this title, then the Department for Children and Families shall ~~assume responsibility~~ be responsible for the student's transportation to and from school, unless the receiving district chooses to provide transportation.

(3) A State-placed student not in the legal custody of the Commissioner for Children and Families, other than one placed in a 24-hour residential facility and except as otherwise provided in this subsection, shall be educated by the school district in which the student is living unless an alternative plan or facility for the education of the student is agreed upon by the Secretary. In the case of dispute as to where a State-placed student is living, the Secretary shall conduct a hearing to determine which school district is responsible for educating the student. The Secretary's decision shall be final.

(4) A student who is in temporary legal custody pursuant to 33 V.S.A. § 5308(b)(3) or (4) and is a State-placed student pursuant to subdivision 11(a)(28)(D)(i)(II) of this title, shall be enrolled, at the temporary legal custodian's discretion, in the district in which the student's parents reside, the district in which either parent resides if the parents live in different districts, the district in which the student's legal guardian resides, or the district in which the temporary legal custodian resides. If the student enrolls in the district in which the temporary legal custodian resides, the district shall provide transportation in the same manner and to the same extent it is provided to other students in the district. In all other cases, the temporary legal

custodian is responsible for the student's transportation to and from school, unless the receiving district chooses to provide transportation.

~~(4)~~(5) If a student who had been a State-placed student pursuant to subdivision 11(a)(28) of this title is returned to live in the district in which one or more of the student's parents or legal guardians reside, then, at the request of the student's parent or legal guardian, the Secretary may order the student to continue his or her enrollment for the remainder of the academic year in the district in which the student resided prior to returning to the parent's or guardian's district and the student will continue to be funded as a State-placed student. Unless the receiving district chooses to provide transportation:

* * *

(e) For the purposes of this title, the legal residence or residence of a child of homeless parents is ~~where the child temporarily resides~~ the child's school of origin, as defined in subdivision (c)(1) of this section, unless the parents and another school district agree that the child's attendance in school in that school district will be in the best interests of the child ~~in that continuity of education will be provided and transportation will not be unduly burdensome to the school district.~~ A "child of homeless parents" means a child whose parents:

* * *

* * * Early College * * *

Sec. 14. REPEAL

16 V.S.A § 4011(e) (early college) is repealed.

Sec. 15. 16 V.S.A § 946 is added to read:

§ 946. EARLY COLLEGE

(a) For each grade 12 Vermont student enrolled, the Secretary shall pay an amount equal to 87 percent of the base education amount to:

(1) the Vermont Academy of Science and Technology (VAST); and

(2) an early college program other than the VAST program that is developed and operated or overseen by the University of Vermont, by one of the Vermont State Colleges, or by an accredited private postsecondary school located in Vermont and that is approved for operation by the Secretary; provided, however, when making a payment under this subdivision (2), the Secretary shall not pay more than the tuition charged by the institution.

(b) The Secretary shall make the payment pursuant to subsection (a) of this section directly to the postsecondary institution, which shall accept the amount as full payment of the student's tuition.

(c) A student on whose behalf the Secretary makes a payment pursuant to subsection (a) of this subsection:

(1) shall be enrolled as a full-time student in the institution receiving the payment for the academic year for which payment is made;

(2) shall not be enrolled concurrently in a secondary school operated by the student's district of residence or to which the district pays tuition on the student's behalf; and

(3) shall not be included in the average daily membership of any school district for the academic year for which payment is made; provided, however, that if more than five percent of the grade 12 students residing in a district enroll in an early college program, then the district may include the number of students in excess of five percent in its average daily membership; but further provided that a student in grade 12 enrolled in a college program shall be included in the percentage calculation only if, for the previous academic year, the student was enrolled in a school maintained by the district or was a student for whom the district paid tuition to a public or approved independent school.

(d) A postsecondary institution shall not accept a student into an early college program unless enrollment in an early college program was an element of the student's personalized learning plan.

Sec. 16. REPEAL

16 V.S.A. § 4011a (early college program; report; appropriations) is repealed.

Sec. 17. 16 V.S.A. § 947 is added to read:

§ 947. EARLY COLLEGE PROGRAM; REPORT; APPROPRIATION

(a) Notwithstanding 2 V.S.A. § 20(d), any postsecondary institution receiving funds pursuant to section 946 of this title shall report annually in January to the Senate and House Committees on Education regarding the level of participation in the institution's early college program, the success in achieving the stated goals of the program to enhance secondary students' educational experiences and prepare them for success in college and beyond, and the specific results for participating students relating to programmatic goals.

(b) In the budget submitted annually to the General Assembly pursuant to 32 V.S.A. chapter 5, the Governor shall include the recommended appropriation for all early college programs to be funded pursuant to section 946 of this title, including the VAST program, as a distinct amount.

* * * Advisory Council on Special Education * * *

Sec. 18. 16 V.S.A § 2945(c) is amended to read:

(c) The members of the Council who are employees of the State shall receive no additional compensation for their services, but actual and necessary expenses shall be allowed State employees, and shall be charged to their departments or institutions. The members of the Council who are not employees of the State shall receive a per diem compensation ~~of \$30.00 per day~~ as provided under 32 V.S.A. § 1010 for each day of official business and reimbursement for actual and necessary expenses at the rate allowed State employees.

* * *

* * * Criminal Record Checks * * *

Sec. 19. 16 V.S.A. § 255(k) is added to read:

(k) The requirements of this section shall not apply to superintendents and headmasters with respect to persons operating or employed by a child care facility, as defined under 33 V.S.A. § 3511, that provides prekindergarten education pursuant to section 829 of this title and that is required to be licensed by the Department for Children and Families pursuant to 33 V.S.A. § 3502. Superintendents and headmasters are not prohibited from conducting a criminal record check as a condition of hiring an employee to work in a child care facility that provides prekindergarten education operated by the school.

* * * Agency Of Education Report; English Language Learners * * *

Sec. 20. AGENCY OF EDUCATION REPORT; ENGLISH LANGUAGE LEARNERS

As part of the management of federal funds for students for whom English is not the primary language, the Agency of Education shall convene at least one meeting of representatives from the supervisory unions and supervisory districts that receive these funds, including those responsible for the administration of these funds, which shall take place prior to the creation of budgets for the next school year. The meeting participants shall explore ways to reduce barriers to the use of funds available under the federal Elementary and Secondary Education Act and help the supervisory unions and supervisory districts develop strategies for best meeting the needs of students for whom English is not the primary language as permitted under federal and State law. In addition, the meeting participants shall discuss the weighting formulas for students from economically deprived backgrounds and students for whom English is not the primary language, and whether these formulas should be revised. The Agency of Education shall report the results of these discussions

to the Senate and House Committees on Education on or before January 15, 2018.

* * * Prekindergarten Programs; STARS ratings * * *

Sec. 21. 16 V.S.A. § 829(c) is amended to read:

(c) Prequalification. Pursuant to rules jointly developed and overseen by the Secretaries of Education and of Human Services and adopted by the State Board pursuant to 3 V.S.A. chapter 25, the Agencies jointly may determine that a private or public provider of prekindergarten education is qualified for purposes of this section and include the provider in a publicly accessible database of prequalified providers. At a minimum, the rules shall define the process by which a provider applies for and maintains prequalification status, shall identify the minimum quality standards for prequalification, and shall include the following requirements:

(1) A program of prekindergarten education, whether provided by a school district or a private provider, shall have received:

(A) National Association for the Education of Young Children (NAEYC) accreditation; or

(B) at least four stars in the Department for Children and Families' STARS system ~~with at least two points in each of the five arenas~~; or

(C) three stars in the STARS system if the provider has developed a plan, approved by the Commissioner for Children and Families and the Secretary of Education, to achieve four or more stars in no more than two years ~~with at least two points in each of the five arenas~~, and the provider has met intermediate milestones.

* * *

* * * Act 46 Findings * * *

Sec. 22. ACT 46 FINDINGS

(a) 2015 Acts and Resolves No. 46 established a multi-year, phased process that provides multiple opportunities for school districts to unify existing governance units into more “sustainable governance structures” designed to meet the General Assembly’s identified educational and fiscal goals while recognizing and reflecting local priorities. It has been the General Assembly’s intent to revitalize Vermont’s small schools – to promote equity in their offerings and stability in their finances – through these changes in governance.

(b) As of Town Meeting Day 2017, voters in 96 Vermont towns have voted to merge 104 school districts into these slightly larger, more sustainable governance structures, resulting in the creation of 20 new unified union

districts (serving prekindergarten–grade 12 students). As a result, approximately 60 percent of Vermont’s school-age children live or will soon live in districts that satisfy the goals of Act 46.

(c) These slightly larger, more flexible unified union districts have begun to realize distinct benefits, including the ability to offer kindergarten–grade 8 choice among elementary schools within the new district boundaries; greater flexibility in sharing students, staff, and resources among individual schools; the elimination of bureaucratic redundancies; and the flexibility to create magnet academies, focusing on a particular area of specialization by school.

(d) Significant areas of the State, however, have experienced difficulty satisfying the goals of Act 46. The range of complications is varied, including operating or tuitioning models that differ among adjoining districts, geographic isolation due to lengthy driving times or inhospitable travel routes between proposed merger partners, and greatly differing levels of debt per equalized pupil between districts involved in merger study committees. This act is designed to make useful changes to the merger time lines and allowable governance structures under Act 46 without weakening or eliminating the Act’s fundamental phased merger and incentive structures and requirements.

* * * Side-by-Side Structures * * *

Sec. 23. 2012 Acts and Resolves No. 156, Sec. 15 is amended to read:

Sec. 15. TWO OR MORE MERGERS; REGIONAL EDUCATION
DISTRICT INCENTIVES

(a) Notwithstanding 2010 Acts and Resolves No. 153, Sec. 3(a)(1) of No. 153 of the Acts of the 2009 Adj. Sess. (2010) that requires a single regional education district (“RED”) to have an average daily membership of at least 1,250 or result from the merger of at least four districts, or both, two or more new districts shall be eligible jointly for the incentives provided in Sec. 4 of No. 153, Sec. 4 if:

* * *

(3) ~~one of the new districts provides education in all elementary and secondary grades by operating one or more schools and the other new district or districts pay tuition for students in one or more grades; each new district has a model of operating schools or paying tuition that is different from the model of the other, which may include:~~

(A) operating a school or schools for all resident students in prekindergarten through grade 12;

(B) operating a school or schools for all resident students in some grades and paying tuition for resident students in the other grades; or

(C) operating no schools and paying tuition for all resident students in prekindergarten through grade 12;

* * *

(b) This section is repealed on July 1, ~~2017~~ 2019.

Sec. 24. THREE-BY-ONE SIDE-BY-SIDE STRUCTURE; REGIONAL
EDUCATION DISTRICT INCENTIVES

(a) Notwithstanding 2010 Acts and Resolves No. 153, Sec. 3(a)(1) that requires a single regional education district (RED) to have an average daily membership of at least 1,250 or result from the merger of at least four districts, or both, a new district shall be eligible for the incentives provided in No. 153, Sec. 4 as amended by 2012 Acts and Resolves No. 156 and 2015 Acts and Resolves No. 46 if:

(1) The new district is formed by the merger of at least three existing districts (Merged District) and, together with an existing district (Existing District), are members of the same supervisory union following the merger (Three-by-One Side-by-Side Structure).

(2) As of March 7, 2017 (Town Meeting Day), the Existing District is either:

(A) geographically isolated, due to lengthy driving times or inhospitable travel routes between the Existing District's school or schools and the nearest school in which there is excess capacity as determined by the State Board of Education;

(B) structurally isolated, because all adjoining school districts have operating or tuitioning models that differ from the Existing District; or

(C) unable to reach agreement to consolidate with one or more other adjoining school districts because the school districts that adjoin the Existing District have greatly differing levels of indebtedness per equalized pupil, as defined in 16 V.S.A. § 4001(3), from that of the Existing District as determined by the State Board of Education.

(3) The Merged District and the Existing District each has a model of operating schools or paying tuition that is different from the model of the other. These models are:

(A) operating a school or schools for all resident students in prekindergarten through grade 12;

(B) operating a school or schools for all resident students in some grades and paying tuition for resident students in the other grades; or

(C) operating no schools and paying tuition for all resident students in prekindergarten through grade 12.

(4) The Three-by-One Side-by-Side Structure meets all criteria for RED formation other than the size criterion of 2010 Acts and Resolves No. 153, Sec. 3(a)(1) (average daily membership of at least 1,250) and otherwise as provided in this section.

(5) The districts seeking approval of their proposed Three-by-One Side-by-Side Structure demonstrate in their report presented to the State Board that this structure is better suited to them than a governance structure described in 2015 Acts and Resolves No. 46, Sec. 6, and will meet the goals set forth in Sec. 2 of that Act.

(6) The districts proposing to merge into the Merged District receive final approval from their electorate for the merger proposal on or before November 30, 2017, and the Merged District becomes fully operational on or before July 1, 2019.

(b) The incentives provided in 2010 Acts and Resolves No. 153, Sec. 4 shall be available to the Merged District and shall not be available to the Existing District.

(c) The Existing District shall be exempt from the requirement under 2015 Acts and Resolves No. 46, Secs. 9 and 10 to self-evaluate and make a proposal to the Secretary of Education and State Board of Education and from the State Board's plan.

Sec. 25. TWO-BY-TWO-BY-ONE SIDE-BY-SIDE STRUCTURE;
REGIONAL EDUCATION DISTRICT INCENTIVES

(a) Notwithstanding 2010 Acts and Resolves No. 153, Sec. 3(a)(1) that requires a single regional education district (RED) to have an average daily membership of at least 1,250 or result from the merger of at least four districts, or both, two or more new districts shall be eligible for the incentives provided in No. 153, Sec. 4 as amended by 2012 Acts and Resolves No. 156 and 2015 Acts and Resolves No. 46 if:

(1) Each new district is formed by the merger of at least two existing districts (each a Merged District) and, together with an existing (Existing District), are members of the same supervisory union following the merger (Two-by-Two-by-One Side-by-Side Structure).

(2) As of March 7, 2017 (Town Meeting Day), the Existing District is either:

(A) geographically isolated, due to lengthy driving times or inhospitable travel routes between the Existing District's school or schools and

the nearest school in which there is excess capacity as determined by the State Board of Education;

(B) structurally isolated, because all adjoining school districts have operating or tuitioning models that differ from the Existing District; or

(C) unable to reach agreement to consolidate with one or more other adjoining school districts because the school districts that adjoin the Existing District have greatly differing levels of indebtedness per equalized pupil, as defined in 16 V.S.A. § 4001(3), from that of the Existing District as determined by the State Board of Education.

(3) Each Merged District and the Existing District has a model of operating schools or paying tuition that is different from the model of each other. These models are:

(A) operating a school or schools for all resident students in prekindergarten through grade 12;

(B) operating a school or schools for all resident students in some grades and paying tuition for resident students in the other grades; or

(C) operating no schools and paying tuition for all resident students in prekindergarten through grade 12.

(4) The Two-by-Two-by-One Side-by-Side Structure meets all criteria for RED formation other than the size criterion of 2010 Acts and Resolves No. 153, Sec. 3(a)(1) (average daily membership of at least 1,250) and otherwise as provided in this section.

(5) The districts seeking approval of their proposed Two-by-Two-by-One Side-by-Side Structure demonstrate in their report presented to the State Board that this structure is better suited to them than a governance structure described in 2015 Acts and Resolves No. 46, Sec. 6, and will meet the goals set forth in Sec. 2 of that act.

(6) Each Merged District has the same effective date of merger.

(7) The districts proposing to merge into each Merged District receive final approval from their electorate for the merger proposal on or before November 30, 2017, and each Merged District becomes fully operational on or before July 1, 2019.

(b) The incentives provided in 2010 Acts and Resolves No. 153, Sec. 4 shall be available to each Merged District and shall not be available to the Existing District.

(c) The Existing District shall be exempt from the requirement under 2015 Acts and Resolves No. 46, Secs. 9 and 10 to self-evaluate and make a proposal

to the Secretary of Education and State Board of Education and from the State Board's plan.

* * * Withdrawal from Union School District * * *

Sec. 26. TEMPORARY AUTHORITY TO WITHDRAW FROM UNION
SCHOOL DISTRICT

(a) Notwithstanding any provision of 16 V.S.A. § 721a to the contrary, a school district may withdraw from a union high school district without approval by the remaining members of the union high school district upon the following conditions:

(1) The school district proposing to withdraw from the union high school district operates a school or schools for all resident students in prekindergarten through grade 6 and pays tuition for resident students in grade 7 through grade 12.

(2) At least one year has elapsed since the union high school district became a body politic and corporate as provided in 16 V.S.A. § 706g.

(3) A majority of the voters of the school district proposing to withdraw from the union high school district present and voting at a school district meeting duly warned for that purpose votes to withdraw from the union high school district. The clerk of the school district shall certify the vote to the Secretary of State, who shall record the certificate in his or her office and shall give notice of the vote to the Secretary of Education and to the other members of the union high school district.

(4) The State Board approves the withdrawal based on a recommendation from the Secretary of Education.

(5) The withdrawal process is completed on or before July 1, 2019.

(b) In making his or her recommendation, the Secretary of Education shall assess whether:

(1) students in the withdrawing school district would attend a school that complies with the rules adopted by the State Board pertaining to educational programs; and

(2) it is in the best interests of the State, the students, and the districts remaining in the union high school district for the union to continue to exist.

(c) The State Board shall:

(1) consider the recommendation of the Secretary and any other information it deems appropriate;

(2) hold a public meeting within 60 days of receiving the recommendation of the Secretary, and provide due notice of this meeting to the Secretary and all members of the union high school district;

(3) within 10 days of the meeting, notify the Secretary and all members of the union high school district of its decision;

(4) if it approves the withdrawal, declare the membership of the withdrawing school district in the union high school district terminated as of July 1 immediately following, or as soon after July 1 as the financial obligations of the withdrawing school district have been paid to, or an agreement has been made with, the union high school district in an amount to satisfy those obligations; and

(5) file the declaration with the Secretary of State, the clerk of the withdrawing school district, and the clerk of the union high school district concerned.

Sec. 27. REPEAL

Sec. 26 of this act is repealed on July 2, 2019.

* * * Time Extension for Qualifying Districts * * *

Sec. 28. 2015 Acts and Resolves No. 46, Sec. 9 is amended to read:

Sec. 9. SELF-EVALUATION, MEETINGS, AND PROPOSAL

(a) ~~On~~ Subject to subsection (b) of this section, on or before November 30, 2017, the board of each school district in the State that:

(1) has a governance structure different from the preferred structure identified in Sec. 5(b) of this act (Education District), or that does not expect to become or will not become an Education District on or before July 1, 2019; or

(2) does not qualify for an exemption under Sec. 10(c) of this act, shall perform each of the following actions-;

~~(1)(A)~~ Self-evaluation. The board shall evaluate its current ability to meet or exceed each of the goals set forth in Sec. 2 of this act.

~~(2)(B)~~ Meetings.

~~(A)(i)~~ The board shall meet with the boards of one or more other districts, including those representing districts that have similar patterns of school operation and tuition payment, to discuss ways to promote improvement throughout the region in connection with the goals set forth in Sec. 2 of this act.

~~(B)(ii)~~ The districts do not need to be contiguous and do not need to be within the same supervisory union.

~~(3)(C)~~ Proposal. The board of the district, solely on behalf of its own district or jointly with the boards of other districts, shall submit a proposal to the Secretary of Education and the State Board of Education in which the district:

~~(A)(i)~~ proposes to retain its current governance structure, to work with other districts to form a different governance structure, or to enter into another model of joint activity;

~~(B)(ii)~~ demonstrates, through reference to enrollment projections, student-to-staff ratios, the comprehensive data collected pursuant to 16 V.S.A. § 165, and otherwise, how the proposal in subdivision ~~(A)(i)~~ of this subdivision ~~(3)(C)~~ supports the district's or districts' ability to meet or exceed each of the goals set forth in Sec. 2 of this act; ~~and~~

~~(C)(iii)~~ identifies detailed actions it proposes to take to continue to improve its performance in connection with each of the goals set forth in Sec. 2 of this act; and

(iv) describes its history of merger, consolidation, or other models of joint activity with other school districts before the enactment of this act, and its consideration of merger, consolidation, or other models of joint activity with other school districts on or after the enactment of this act.

(b) The date by which a qualifying district must take the actions required by subsection (a) of this section is extended from November 30, 2017 to January 31, 2018. A qualifying district is a district that:

(1) proposed a school district consolidation plan under 2010 Acts and Resolves No. 153, as amended, or 2012 Acts and Resolves No. 156, as amended, which was rejected by voters;

(2) is a member of a study committee formed under 16 V.S.A. § 706 that provides to the Secretary a declaration that another school district wants to join the district's study committee, signed by each member of the study committee and the district that proposes to join the study committee; or

(3) is a member of a supervisory union that, on or after July 1, 2010, combined with another supervisory union.

Sec. 29. TIME EXTENSION FOR VOTE OF ELECTORATE

Notwithstanding any provision of law to the contrary, the date by which a qualifying district must receive final approval from the electorate for its merger proposal is extended from July 1, 2017 to November 30, 2017. A qualifying district is a district that:

(1) proposed a school district consolidation plan under 2010 Acts and Resolves No. 153, as amended, or 2012 Acts and Resolves No. 156, as amended, which was rejected by voters;

(2) is a member of a study committee formed under 16 V.S.A. § 706 that provides to the Secretary a declaration that another school district wants to join the district's study committee, signed by each member of the study committee and the district that proposes to join the study committee; or

(3) is a member of a supervisory union that, on or after July 1, 2010, combined with another supervisory union.

* * * Grants and Fee Reimbursement * * *

Sec. 30. 2015 Acts and Resolves No. 46, Sec. 7 is amended to read:

Sec. 7. SCHOOL DISTRICTS CREATED AFTER DEADLINE FOR
ACCELERATED ACTIVITY; TAX INCENTIVES; SMALL
SCHOOL SUPPORT; JOINT CONTRACT SCHOOLS

* * *

(b) A newly formed school district that meets the criteria set forth in subsection (a) of this section shall receive the following:

* * *

(3) Transition Facilitation Grant.

(A) After voter approval of the plan of merger, notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the Secretary of Education shall pay the transitional board of the new district a Transition Facilitation Grant from the Education Fund equal to the lesser of:

(i) five percent of the base education amount established in 16 V.S.A. § 4001(13) multiplied by the greater of either the combined enrollment or the average daily membership of the merging districts on October 1 of the year in which the successful vote is taken; or

(ii) \$150,000.00.

(B) A Transition Facilitation Grant awarded under this subdivision (3) shall be reduced by the total amount of reimbursement paid for consulting services, analysis, and transition costs pursuant to 2012 Acts and Resolves No. 156, Secs. 2, 4, and 9.

* * *

(e) Notwithstanding the requirement in subdivision (a)(3) of this section that the newly formed school district be its own supervisory district, the newly formed school district shall qualify for the incentives under this section even if

it is assigned to a supervisory union by the State Board of Education and that assignment by the State Board is not made at the request of the school district.

Sec. 31. 2012 Acts and Resolves No. 156, Sec. 9 is amended to read:

Sec. 9. REIMBURSEMENT OF FEES FOR CONSULTING SERVICES;
MERGER; SCHOOL DISTRICTS; SUNSET

(a) From the ~~education fund~~ Education Fund, the ~~commissioner of education~~ Secretary of Education shall reimburse up to \$20,000.00 of fees paid by a study committee established under 16 V.S.A. § 706 for legal and other consulting services necessary to analyze the advisability of creating a union school district or a unified union school district ~~and~~, to prepare the report required by 16 V.S.A. § 706b, and to conduct community outreach, including communications with voters. Community outreach materials shall be limited to those that are reasonably designed to inform and educate. Not more than 30 percent of the reimbursement amount provided by the Secretary under this section shall be used for the purpose of community outreach.

* * *

Sec. 32. 2015 Acts and Resolves No. 46, Sec. 10 is amended to read:

Sec. 10. TRANSITION TO SUSTAINABLE GOVERNANCE
STRUCTURES; PROPOSAL; FINAL PLAN

* * *

(d)(1) The Secretary of Education shall make a supplemental Transitional Facilitation Grant of \$10,000.00 to a school district that:

(A) has received or is eligible to receive tax incentives under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended (a qualifying school district); and

(B) either on its own initiative or at the request of the State Board, agrees by vote of its electorate to merge with another school district (a qualifying merger).

(2) A qualifying school district shall use the grant funding to defray the cost of integration. The Secretary shall pay the grant amount to a qualifying school district for each qualifying merger with a school district even if multiple qualifying mergers are effective on the same date. The Secretary shall pay the grant amount not later than 30 days after all required approvals are obtained.

(3) Notwithstanding any provision to the contrary in 16 V.S.A. § 4025, the Secretary of Education shall pay the supplemental Transition Facilitation Grant from the Education Fund.

(4) The supplemental Transition Facilitation Grant shall be available for a qualifying merger initiated by a qualifying school district only if the merger is scheduled to take effect on or before November 30, 2018.

* * * Applications for Adjustments to Supervisory Union Boundaries * * *

Sec. 33. 16 V.S.A. § 261 is amended to read:

§ 261. ORGANIZATION AND ADJUSTMENT OF SUPERVISORY
UNIONS

(a) The State Board shall review on its own initiative or when requested as per subsection (b) of this section and may regroup the supervisory unions of the State or create new supervisory unions in such manner as to afford increased efficiency or greater convenience and economy and to facilitate prekindergarten through grade 12 curriculum planning and coordination as changed conditions may seem to require.

(b)(1) Any school district that has so voted at its annual school district meeting, if said meeting has been properly warned regarding such a vote, may request that the State Board adjust the existing boundaries of the supervisory union of which it is a member district.

(2) Any group of school districts that have so voted at their respective annual school district meeting, regardless of whether the districts are members of the same supervisory union, may request that the State Board adjust existing supervisory union boundaries and move one or more nonrequesting districts to a different supervisory union if such adjustment would assist the requesting districts to realign their governance structures into a unified union school district pursuant to chapter 11 of this title.

(3) The State Board shall ~~give timely consideration to requests~~ act on a request made pursuant to this subsection within 75 days of receipt of the request and may regroup the school districts of the area so as to ensure reasonable supervision of all public schools therein.

* * *

* * * Technical Corrections; Clarifications * * *

Sec. 34. 2012 Acts and Resolves No. 156, Sec. 16 is amended to read:

Sec. 16. UNION ELEMENTARY SCHOOL DISTRICTS; REGIONAL
EDUCATION DISTRICT INCENTIVES

* * *

(b) This section is repealed on July 1, ~~2017~~ 2019.

Sec. 35. 2012 Acts and Resolves No. 156, Sec. 17 is amended to read:

Sec. 17. MODIFIED UNIFIED UNION SCHOOL DISTRICT

* * *

(d) This section is repealed on July 1, ~~2017~~ 2019.

Sec. 36. AVAILABILITY OF TAX AND OTHER INCENTIVES

The tax and other incentives under 2010 Acts and Resolves No. 153, as amended, and 2012 Acts and Resolves No. 156, as amended, shall be available only if the new governance structure formed under those acts becomes fully operational on or before July 1, 2019.

Sec. 37. 2015 Acts and Resolves No. 46, Sec. 23 is amended to read:

Sec. 23. DECLINING ENROLLMENT; TRANSITION

(a) If a district's equalized pupils in fiscal year 2016 do not reflect any adjustment pursuant to 16 V.S.A. § 4010(f), then Sec. 22 of this act shall apply to the district in fiscal year 2017 and after.

(b) If a district's equalized pupils in fiscal year 2016 reflect adjustment pursuant to 16 V.S.A. § 4010(f), then, notwithstanding the provisions of § 4010(f) as amended by this act:

(1) in fiscal year 2017, the district's equalized pupils shall in no case be less than 90 percent of the district's equalized pupils in the previous year; and

(2) in fiscal year 2018, the district's equalized pupils shall in no case be less than 80 percent of the district's equalized pupils in the previous year.

(c) Notwithstanding the provisions of subsections (a) and (b) of this section, if a district is actively engaged in merger discussions with one or more other districts regarding the formation of a regional education district (RED) or other form of unified union school district pursuant to 16 V.S.A. chapter 11, then Sec. 22 of this act shall apply to the district in fiscal year 2018 and after, and each of the dates in subsection (b) of this section shall be adjusted accordingly. A district shall be "actively engaged in merger discussions" pursuant to this subsection (c) if on or before July 1, 2016, it has formed a study committee pursuant to 16 V.S.A. chapter 11. Until such time as Sec. 22 of this act shall apply to the district, the district's equalized pupil count shall be calculated under 16 V.S.A. § 4010(f), as in effect on June 30, 2016.

* * * Effective Dates * * *

Sec. 38. EFFECTIVE DATES

(a) This section and Secs. 1–5, 9–12, and 14–37 shall take effect on passage.

(b) Secs. 6–8 (speech-language pathologists) shall take effect on January 1, 2018.

(c) Sec. 13 (State-placed students) shall take effect beginning with the 2017–2018 school year.

(Committee vote: 6-0-0)

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 Education?, Senator White moved to amend the recommendation of the Committee on Education as follows:

First: By striking out Sec. 6 in its entirety and inserting in lieu thereof:

[Deleted.]

Second: By striking out Sec. 7 in its entirety and inserting in lieu thereof:

[Deleted.]

Third: By striking out Sec. 8 in its entirety and inserting in lieu thereof:

[Deleted.]

Fourth: In Sec. 38 (effective dates), by striking out subsection (b) in its entirety and by relettering the remaining section to be correct.

Thereupon, pending the question, Shall the recommendation of the Committee on Education be amended as proposed by Senator White?, Senator White requested and was granted leave to withdraw the proposal of amendment.

Thereupon, the proposal of amendment of the Committee on Education was agreed to, and third reading of the bill was ordered.

Bill Passed in Concurrence with Proposal of Amendment

H. 497.

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

An act relating to health requirements for animals used in agriculture.

Third Reading Ordered

H. 326.

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

An act relating to eligibility and calculation of grant or subsidy amount for Reach Up, Reach Ahead, and the Child Care Services Program.

Reported that the bill ought to pass in concurrence.

Senator Westman, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass in concurrence.

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

Proposal of Amendment; Third Reading Ordered

H. 5.

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

An act relating to investment of town cemetery funds.

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. § 5384 is amended to read:

§ 5384. PAYMENT TO TREASURER; RECORD; INVESTMENT

(a) Unless otherwise directed by the donor, all ~~moneys~~ monies received by a town for cemetery purposes shall be paid to the town treasurer who shall give a receipt therefor, which shall be recorded in the office of the town clerk in a book kept for that purpose. In such book shall also be stated the amount received from each donor, the time when, and the specific purpose to which the use thereof is appropriated.

(b)(1) All ~~moneys~~ monies so received by the town may be invested and reinvested by the treasurer, with the approval of the ~~selectmen~~ selectboard, by deposit in:

(A) banks chartered by the ~~state~~ State;

(B) ~~or in~~ national banks;

(C) bonds of the United States or of municipalities whose bonds are legal investment for banks chartered by the ~~state~~ State;

(D) ~~or in~~ bonds or notes legally issued in anticipation of taxes by a town, village, or city in this ~~state~~ State, or first mortgages on real estate in Vermont;

(E) ~~or in~~ the shares of an investment company; or an investment trust, ~~which~~ such as a mutual fund, closed-end fund, or unit investment trust, that is

registered under the federal Investment Company Act of 1940, as amended, if such ~~mutual investment~~ fund has been in operation for at least ~~10~~ five years and has net assets of at least ~~\$10,000,000.00~~ \$100,000,000.00; or

(F) ~~in~~ shares of a savings and loan association of this ~~state~~ State, or share accounts of a federal savings and loan association with its principal office in this ~~state~~ State, when and to the extent to which the withdrawal or repurchase value of such shares or accounts are insured by the Federal Savings and Loan Insurance Corporation.

(2)(A) However, in ~~towns~~ a town that ~~elect~~ elects trustees of public funds, ~~such cemetery~~ funds shall be invested by ~~such~~ the trustees in any of the securities ~~hereinbefore~~ enumerated in this section, and the income thereof paid to the proper officers as the same falls due.

(B) ~~The Investment~~ income ~~therefrom~~ shall be expended for the purpose and in the manner designated by the donor. The provisions of this section as to future investments shall not require the liquidation or disposition of securities legally acquired and held.

(3) The treasurer, selectboard, or trustees of public funds may delegate management and investment of town cemetery funds to the extent that it is prudent under the terms of the trust or endowment, and in accordance with the Uniform Prudent Management of Institutional Funds Act, 14 V.S.A. § 3415 (delegation of investment functions). An agent exercising a delegated management or investment function may invest cemetery funds only in the securities enumerated in this section.

Sec. 2. EFFECTIVE DATE

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

Proposal of Amendment; Third Reading Ordered

H. 74.

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

An act relating to nonconsensual sexual conduct.

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. § 2601a is added to read:

§ 2601a. PROHIBITED CONDUCT

(a) No person shall engage in open and gross lewdness.

(b) A person who violates this section shall:

(1) be imprisoned not more than one year or fined not more than \$300.00, or both, for a first offense; and

(2) be imprisoned not more than two years or fined not more than \$1,000.00, or both, for a second or subsequent offense.

Sec. 2. 13 V.S.A. § 2632 is amended to read:

§ 2632. ~~PROHIBITED ACTS~~ PROSTITUTION

* * *

Sec. 3. 13 V.S.A. § 1030 is amended to read:

§ 1030. VIOLATION OF AN ABUSE PREVENTION ORDER, AN ORDER AGAINST STALKING OR SEXUAL ASSAULT, OR A PROTECTIVE ORDER CONCERNING CONTACT WITH A CHILD

(a) A person who intentionally commits an act prohibited by a court or who fails to perform an act ordered by a court, in violation of an abuse prevention order issued under 15 V.S.A. chapter 21 of Title 15 or 33 V.S.A. chapter 69 of Title 33, a protective order that concerns contact with a child and is issued under 33 V.S.A. chapter 51 of Title 33, or an order against stalking or sexual assault issued under 12 V.S.A. chapter 178 of Title 12, after the person has been served notice of the contents of the order as provided in those chapters; or in violation of a foreign abuse prevention order or an order against stalking or sexual assault issued by a court in any other state, federally recognized Indian tribe, territory or possession of the United States, the Commonwealth of Puerto Rico, or the District of Columbia; shall be imprisoned not more than one year or fined not more than \$5,000.00, or both. Intent to violate the order is not an element of the crime, however the State must prove the person intentionally committed the act that violated the order.

(b) A person who is convicted of a second or subsequent offense under this section or is convicted of an offense under this section and has previously been convicted of domestic assault under section 1042 of this title, first degree aggravated domestic assault under section 1043 of this title, or second degree aggravated domestic assault under section 1044 of this title shall be imprisoned not more than three years or fined not more than \$25,000.00, or both.

(c) Upon conviction under this section for a violation of an order issued under 15 V.S.A. chapter 21 of Title 15, the court shall, unless the circumstances indicate that it is not appropriate or not available, order the defendant to participate in domestic abuse counseling or a domestic abuse prevention program approved by the ~~department of corrections~~ Department of Corrections. The defendant may at any time request the court to approve an alternative program. The defendant shall pay all or part of the costs of the counseling or program unless the court finds that the defendant is unable to do so.

(d) Upon conviction for a violation of an order issued under 12 V.S.A. chapter 178 of Title 12, the court may order the defendant to participate in mental health counseling or sex offender treatment approved by the ~~department of corrections~~ Department of Corrections. The defendant shall pay all or part of the costs of the counseling unless the court finds that the defendant is unable to do so.

(e) Nothing in this section shall be construed to diminish the inherent authority of the courts to enforce their lawful orders through contempt proceedings.

(f) Prosecution for violation of an abuse prevention order or an order against stalking or sexual assault shall not bar prosecution for any other crime, including any crime that may have been committed at the time of the violation of the order.

Sec. 4. 13 V.S.A. § 3281 is added to read:

§ 3281. SEXUAL ASSAULT SURVIVORS' RIGHTS

(a) Short title. This section may be cited as the "Bill of Rights for Sexual Assault Survivors."

(b) Definition. As used in this section, "sexual assault survivor" means a person who is a victim of an alleged sexual offense.

(c) Survivors' rights. When a sexual assault survivor makes a verbal or written report to a law enforcement officer, emergency department, sexual assault nurse examiner, or victim's advocate of an alleged sexual offense, the recipient of the report shall provide written notification to the survivor that he or she has the following rights:

(1) The right to receive a medical forensic examination and any related toxicology testing at no cost to the survivor in accordance with 32 V.S.A. § 1407, irrespective of whether the survivor reports to or cooperates with law enforcement. If the survivor opts to have a medical forensic examination, he or she shall have the following additional rights:

(A) the right to have the medical forensic examination kit or its probative contents delivered to a forensics laboratory within 72 hours of collection;

(B) the right to have the sexual assault evidence collection kit or its probative contents preserved without charge for the duration of the maximum applicable statute of limitations;

(C) the right to be informed in writing of all policies governing the collection, storage, preservation, and disposal of a sexual assault evidence collection kit;

(D) the right to be informed of a DNA profile match on a kit reported to law enforcement or on a confidential kit, on a toxicology report, or on a medical record documenting a medical forensic examination, if the disclosure would not impede or compromise an ongoing investigation; and

(E) upon written request from the survivor, the right to:

(i) receive written notification from the appropriate official with custody not later than 60 days before the date of the kit's intended destruction or disposal; and

(ii) be granted further preservation of the kit or its probative contents.

(2) The right to consult with a sexual assault advocate.

(3) The right to information concerning the availability of protective orders and policies related to the enforcement of protective orders.

(4) The right to information about the availability of, and eligibility for, victim compensation and restitution.

(5) The right to information about confidentiality.

(d) Notification protocols. The Vermont Network Against Domestic and Sexual Violence and the Sexual Assault Nurse Examiner Program, in consultation with other parties referred to in this section, shall develop protocols and written materials to assist all responsible entities in providing notification to victims.

Sec. 5. 13 V.S.A. § 4501 is amended to read:

§ 4501. LIMITATION OF PROSECUTIONS FOR CERTAIN CRIMES

(a) Prosecutions for aggravated sexual assault, aggravated sexual assault of a child, human trafficking, aggravated human trafficking, murder, arson causing death, and kidnapping may be commenced at any time after the commission of the offense.

(b) Prosecutions for manslaughter, ~~sexual assault~~, lewd and lascivious conduct, ~~sexual exploitation of children under chapter 64 of this title~~, sexual abuse of a vulnerable adult, grand larceny, robbery, burglary, embezzlement, forgery, bribery offenses, false claims, fraud under 33 V.S.A. § 141(d), and felony tax offenses shall be commenced within six years after the commission of the offense, and not after.

(c) Prosecutions for any of the following offenses ~~alleged to have been committed against a child under 18 years of age~~ shall be commenced within 40 years after the commission of the offense, and not after:

(1) sexual assault;

(2) lewd and lascivious conduct alleged to have been committed against a child under 18 years of age;

(3) sexual exploitation of a minor as defined in subsection 3258(c) of this title;

(4) lewd or lascivious conduct with a child; ~~and~~

(5) sexual exploitation of children under chapter 64 of this title; and

(6) manslaughter alleged to have been committed against a child under 18 years of age.

(d) Prosecutions for arson shall be commenced within 11 years after the commission of the offense, and not after.

(e) Prosecutions for other felonies and for misdemeanors shall be commenced within three years after the commission of the offense, and not after.

Sec. 6. 14 V.S.A. § 315 is amended to read:

§ 315. PARENT AND CHILD RELATIONSHIP

(a) For the purpose of intestate succession, an individual is the child of his or her parents, regardless of their marital status, but a parent shall not inherit from a child unless the parent has openly acknowledged the child and not refused to support the child.

(b) The parent and child relationship may be established in parentage proceedings under ~~subchapter 3A of 15 V.S.A. chapter 5 of Title 15, subchapter 3A.~~

(c) A parent shall not inherit from a child conceived of sexual assault who is the subject of a parental rights and responsibilities order issued pursuant to 15 V.S.A. § 665(f).

Sec. 7. 15 V.S.A. § 665 is amended to read:

§ 665. RIGHTS AND RESPONSIBILITIES ORDER; BEST INTERESTS
OF THE CHILD

* * *

(f) The State has a compelling interest in not forcing a victim of sexual assault or sexual exploitation to continue an ongoing relationship with the perpetrator of the abuse. Such continued interaction can have traumatic psychological effects on the victim, making recovery more difficult, and negatively affect the victim's ability to parent and to provide for the best interests of the child. Additionally, the State recognizes that a perpetrator may use the threat of pursuing parental rights and responsibilities to coerce a victim into not reporting or not assisting in the prosecution of the perpetrator for the sexual assault or sexual exploitation, or to harass, intimidate, or manipulate the victim.

(1) The Court may enter an order awarding sole parental rights and responsibilities to a parent and denying all parent-child contact with the other parent if the Court finds by clear and convincing evidence that the nonmoving parent was convicted of sexually assaulting the moving parent and the child was conceived as a result of the sexual assault. As used in this subdivision, sexual assault shall include sexual assault as provided in 13 V.S.A. § 3252(a), (b), (d), and (e), aggravated sexual assault as provided in 13 V.S.A. § 3253, ~~and~~ aggravated sexual assault of a child as provided in 13 V.S.A. § 3253a, lewd and lascivious conduct with a child as provided in 13 V.S.A. § 2602, and similar offenses in other jurisdictions.

~~(A) An order issued in accordance with this subdivision (f)(1) shall be permanent and shall not be subject to modification.~~

~~(B) Upon issuance of a rights and responsibilities order pursuant to this subdivision (f)(1), the Court shall not issue a parent-child contact order and shall terminate any existing parent-child contact order concerning the child and the nonmoving parent.~~

(2) The Court may enter an order awarding sole parental rights and responsibilities to one parent and denying all parent-child contact between the other parent and a child if the Court finds by clear and convincing evidence that the child was conceived as a result of the nonmoving parent sexually assaulting or sexually exploiting the moving parent and the Court finds by a preponderance of the evidence that such an order is in the best interest of the child. A conviction is not required under this subdivision, and the Court may consider other evidence of sexual assault or sexual exploitation in making its determination.

~~(A)~~ For purposes of this subdivision (f)(2):

~~(i)(A)~~ sexual assault shall include sexual assault as provided in 13 V.S.A. § 3252, aggravated sexual assault as provided in 13 V.S.A. § 3253, aggravated sexual assault of a child as provided in 13 V.S.A. § 3253a, lewd and lascivious conduct with a child as provided in 13 V.S.A. § 2602, and similar offenses in other jurisdictions; and

~~(ii)(B)~~ sexual exploitation shall include sexual exploitation of an inmate as provided in 13 V.S.A. § 3257, sexual exploitation of a minor as provided in 13 V.S.A. § 3258, sexual abuse of a vulnerable adult as provided in 13 V.S.A. § 1379, and similar offenses in other jurisdictions.

~~(B) Except as provided in subdivision (f)(2)(C), the Court shall not issue a parent-child contact order in a case in which a parental rights and responsibilities order has been issued pursuant to this subdivision (f)(2) and any existing parent-child contact order concerning the child and the nonmoving parent shall be terminated.~~

~~(C) A party may file a motion for modification of the order only upon a showing of extraordinary, real, substantial, and unanticipated change of circumstances.~~

(3) Issuance of an order pursuant to this subsection shall not affect the right of the custodial parent to seek child support from the noncustodial parent.

(4) Upon issuance of a rights and responsibilities order pursuant to this subsection, the court shall not issue a parent-child contact order and shall terminate any existing parent-child contact order concerning the child and the nonmoving parent. An order issued in accordance with this subdivision shall be permanent and shall not be subject to modification.

Sec. 8. 15 V.S.A. § 1103 is amended to read:

§ 1103. REQUESTS FOR RELIEF

* * *

(c)(1) The ~~Court~~ court shall make such orders as it deems necessary to protect the plaintiff or the children, or both, if the ~~Court~~ court finds that the defendant has abused the plaintiff, and:

(A) there is a danger of further abuse; or

(B) the defendant is currently incarcerated and has been convicted of one of the following: murder, attempted murder, kidnapping, domestic assault, aggravated domestic assault, sexual assault, aggravated sexual assault, stalking, aggravated stalking, lewd or lascivious conduct with a child, use of a child in a sexual performance, or consenting to a sexual performance.

(2) The court order may include the following:

(A) an order that the defendant refrain from abusing the plaintiff, or his or her children, or both, and from interfering with their personal liberty, including restrictions on the defendant's ability to contact the plaintiff or the plaintiff's children in person, by phone, or by mail, or both, in any way, whether directly, indirectly or through a third party, with the purpose of making contact with the plaintiff, including in writing or by telephone, e-mail, or other electronic communication, and restrictions prohibiting the defendant from coming within a fixed distance of the plaintiff, the children, the plaintiff's residence, or other designated locations where the plaintiff or the plaintiff's children are likely to spend time;

* * *

Sec. 9. 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~~ court that the defendant has abused the plaintiff or ~~his or her~~ the plaintiff's children, or both. The plaintiff shall submit an affidavit in support of the order. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(2) of this chapter, may seek relief on his or her own behalf. Relief under this section shall be limited as follows:

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

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

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

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

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

* * *

Sec. 10. EFFECTIVE DATES

(a) This section and Secs. 1 (prohibited conduct), 6 (parent and child), 7 (rights and responsibilities order; best interests of the child), 8 (request for relief), and 9 (emergency relief) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2017.

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

An act relating to domestic and sexual violence.

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. 308.

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

An act relating to a committee to reorganize and reclassify Vermont's criminal statutes.

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. § 168 is added to read:

§ 168. RACIAL DISPARITIES IN THE CRIMINAL AND JUVENILE
JUSTICE SYSTEM ADVISORY PANEL

(a) The Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel is established. The Panel shall be organized and have the duties and responsibilities as provided in this section. The Panel shall be organized within the Office of the Attorney General and shall consult with the Vermont Human Rights Commission, the Vermont chapter of the ACLU, the Vermont Police Association, the Vermont Sheriffs' Association, the Vermont Association of Chiefs of Police, and others.

(b) The Panel shall comprise the following 13 members:

(1) five members, drawn from diverse backgrounds to represent the interests of communities of color throughout the State, who have had experience working to implement racial justice reform, appointed by the Attorney General;

(2) the Executive Director of the Vermont Criminal Justice Training Council or designee;

(3) the Attorney General or designee;

(4) the Defender General or designee;

(5) the Executive Director of the State's Attorneys and Sheriffs or designee;

(6) the Chief Superior Judge or designee;

(7) the Commissioner of Corrections or designee;

(8) the Commissioner of Public Safety or designee; and

(9) the Commissioner for Children and Families.

(c) The members of the Panel appointed under subdivision (b)(1) of this section shall serve staggered four-year terms. As terms of currently serving members expire, appointments of successors shall be in accord with the provisions of subsection (b) of this section. Appointments of members to fill vacancies or expired terms shall be made by the authority that made the initial appointment to the vacated or expired term. Members of the Panel shall be eligible for reappointment. Members of the Panel shall serve no more than two consecutive terms in any capacity.

(d) Members of the Panel shall elect biennially by majority vote the Chair of the Panel. Members of the Panel who are not State employees or whose participation is not supported through their employment or association shall receive per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010, to be provided by the Office of the Attorney General. The Office of the Attorney General shall provide the Panel with administrative and professional support.

(e) A majority of the members of the Panel shall constitute a quorum, and all action shall be taken upon a majority vote of the members present and voting.

(f) The Panel shall review and provide recommendations to address systemic racial disparities in statewide systems of criminal and juvenile justice, including:

(1) continually reviewing the data collected pursuant to 20 V.S.A. § 2366 to measure State progress toward a fair and impartial system of law enforcement;

(2) providing recommendations to the Criminal Justice Training Council and the Vermont Bar Association, based on the latest social science research and best practices in law enforcement and criminal and juvenile justice, on data

collection and model trainings and policies for law enforcement, judges, correctional officers, and attorneys, including prosecutors and public defenders, to recognize and address implicit bias;

(3) providing recommendations to the Criminal Justice Training Council, based on the latest social science research and best practices in law enforcement, on data collection and a model training and policy on de-escalation and the use of force in the criminal and juvenile justice system;

(4) educating and engaging with communities, businesses, educational institutions, State and local governments, and the general public about the nature and scope of racial discrimination in the criminal and juvenile justice system;

(5) monitoring progress on the recommendations from the 2016 report of the Attorney General's Working Group on Law Enforcement Community Interactions; and

(6) on or before January 15, 2018, and biennially thereafter, reporting to the General Assembly, and providing as a part of that report recommendations to address systemic implicit bias in Vermont's criminal and juvenile justice system, including:

(A) how to institute a public complaint process to address perceived implicit bias across all systems of State government;

(B) whether and how to prohibit racial profiling, including implementing any associated penalties; and

(C) whether to expand law enforcement race data collection practices to include data on nontraffic stops by law enforcement.

Sec. 2. 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.

* * *

(4) The Criminal Justice Training Council shall, on an annual basis, report to the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel regarding:

(A) the adoption and implementation of the Panel's recommended data collection methods and trainings and policies pursuant to 3 V.S.A. § 168(f)(2) and (3);

(B) the incorporation of implicit bias training into the requirements of basic training pursuant to this subsection; and

(C) the implementation of all trainings as required by this subsection.

Sec. 3. SECRETARY OF ADMINISTRATION; PROPOSAL

The Secretary of Administration shall develop a proposal to identify and address racial disparities within the State systems of education, labor and employment, access to housing and health care, and economic development. The Secretary shall report on the proposal to the House and Senate Committees on Judiciary on or before January 15, 2018.

Sec. 4. 20 V.S.A. § 2366(f) is added to read:

(f) Nothing in this section is intended to prohibit or impede any public agency from complying with the lawful requirements of 8 U.S.C. §§ 1373 and 1644. To the extent any State or local law enforcement policy or practice conflicts with the lawful requirements of 8 U.S.C. §§ 1373 and 1644, that policy or practice is, to the extent of the conflict, abolished.

Sec. 5. CRIMINAL JUSTICE TRAINING COUNCIL; FAIR AND IMPARTIAL POLICING POLICY

(a) On or before October 1, 2017, the Criminal Justice Training Council, in consultation with the Attorney General, shall review and modify the model fair and impartial policing policy to the extent necessary to bring the policy into compliance with 8 U.S.C. §§ 1373 and 1644.

(b) On or before January 1, 2018, 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 update its model fair and impartial policing policy to provide one cohesive model policy for law enforcement agencies and constables to adopt as a part of the agency's or constable's own fair and impartial policing policy pursuant to 20 V.S.A. § 2366(a)(1).

Sec. 6. 20 V.S.A. § 2366 is amended to read:

§ 2366. LAW ENFORCEMENT AGENCIES; FAIR AND IMPARTIAL POLICING POLICY; RACE DATA COLLECTION

~~(a)(1) 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~~

~~create a model fair and impartial policing policy.~~ On or before ~~July 1, 2016~~ March 1, 2018, 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~~ each component of the Criminal Justice Training Council ~~Council's~~ model fair and impartial policing policy.

(2) On or before October 1, 2018, and every even-numbered year thereafter, the Criminal Justice Training Council, in consultation with others, including the Attorney General and the Human Rights Commission, shall review and, if necessary, update the model fair and impartial policing policy.

(b) To encourage consistent fair and impartial policing practices statewide, the Criminal Justice Training Council, in consultation with the Office of the Attorney General, shall review the policies of law enforcement agencies and constables required to adopt a policy pursuant to subsection (a) of this section, to ensure those policies establish each component of the model policy on or before April 15, 2018. If a the Council finds that a policy does not meet each component of the model policy, it shall work with the law enforcement agency or constable that is required to adopt a policy pursuant to subsection (a) of this section to bring the policy into compliance. If, after consultation with its attorney or with the Council, or with both, the law enforcement agency or constable fails to do so on or before July 1, 2016 adopt a policy that meets each component of the model policy, that agency or constable shall be deemed to have adopted, and shall follow and enforce, the model policy issued by the Criminal Justice Training Council.

(c) On or before September 15, 2014, and annually thereafter Annually, as part of their annual training report to the Council, every State, county, and municipal law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with 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. The Criminal Justice Training Council shall determine, as part of the Council's annual certification of training requirements, 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 Annually on April 1, the Criminal Justice Training Council shall report to the House and Senate Committees on Judiciary regarding which departments and officers have adopted a fair and impartial policing policy, and whether officers have received training on fair and impartial policing.

* * *

Sec. 7. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 6 (law enforcement agencies; fair and impartial policing policy; race data collection) shall take effect on March 1, 2018.

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

An act relating to the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel.

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 Senate propose to the House that the bill be amended as recommended by the Committee on Judiciary with the following amendment thereto:

In Sec. 1, 3 V.S.A. § 168, subdivision (d), after the last sentence, by inserting the following: The Panel may meet up to ten times per year.

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 Judiciary was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Judiciary, as amended, was agreed to and third reading of the bill was ordered on a roll call Yeas 29, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Brooks.

Proposal of Amendment; Third Reading Ordered**H. 508.**

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

An act relating to building resilience for individuals experiencing adverse childhood experiences.

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. FINDINGS

(a) It is the belief of the General Assembly that controlling health care costs requires consideration of population health, particularly adverse childhood experiences (ACEs) and adverse family experiences (AFEs).

(b) The ACE questionnaire contains ten categories of questions for adults. It is used to measure an adult's exposure to toxic stress in childhood. Based on a respondent's answers to the questionnaire, an ACE score is calculated, which is the total number of ACE categories reported as having been experienced by a respondent. ACEs include physical, emotional, and sexual abuse; neglect; food and financial insecurity; living with a person experiencing mental illness or substance use disorder, or both; experiencing or witnessing domestic violence; and having divorced parents or an incarcerated parent.

(c) In a 1998 article entitled "Relationship of Childhood Abuse and Household Dysfunction to Many of the Leading Causes of Death in Adults," published in the *American Journal of Preventive Medicine*, evidence was cited of a "strong graded relationship between the breadth of exposure to abuse or household dysfunction during childhood and multiple risk factors for several of the leading causes of death in adults."

(d) Physical, psychological, and emotional trauma during childhood may result in damage to multiple brain structures and functions.

(e) The greater the ACE score of a respondent, the greater the risk for many health conditions and high-risk behaviors, including alcoholism and alcohol abuse, chronic obstructive pulmonary disease, depression, obesity, illicit drug use, ischemic heart disease, liver disease, intimate-partner violence, multiple sexual partners, sexually transmitted diseases, smoking, suicide attempts, unintended pregnancies, and others.

(f) ACEs are implicated in the ten leading causes of death in the United States, and with an ACE score of six or higher, an individual has a 20-year

reduction in life expectancy. In addition, the higher the ACE score, the greater the likelihood of later problems with employment and economic stability, including bankruptcy and homelessness.

(g) AFEs are common in Vermont. One in eight Vermont children has experienced three or more AFEs, the most common being divorced or separated parents, food and housing insecurity, and having lived with someone with a substance use disorder or mental health condition. Children with three or more AFEs have higher odds of failing to engage and flourish in school.

(h) The earlier in life an intervention occurs for an individual who has experienced ACEs or AFEs, the more likely that intervention is to be successful.

(i) ACEs and AFEs can be prevented when a multigenerational approach is employed to interrupt the cycle of ACEs and AFEs within a family, including both prevention and treatment throughout an individual's lifespan.

(j) It is the belief of the General Assembly that people who have experienced adverse childhood and family experiences can build resilience and can succeed in leading happy, healthy lives.

Sec. 2. 33 V.S.A. chapter 34 is added to read:

CHAPTER 34. PROMOTION OF CHILD AND FAMILY RESILIENCE

§ 3351. PRINCIPLES FOR VERMONT'S TRAUMA-INFORMED SYSTEM OF CARE

The General Assembly, to further the significant progress made in Vermont with regard to the prevention, screening, and treatment for adverse childhood and family experiences, adopts the following principles with regard to strengthening Vermont's response to trauma and toxic stress during childhood:

(1) Childhood and family trauma affects all aspects of society. Each of Vermont's systems addressing trauma, particularly social services; health care, including mental health; education; child care; and the justice system, shall collaborate to address the causes and symptoms of childhood and family trauma and to build resilience.

(2) Current efforts to address childhood trauma in Vermont shall be recognized, coordinated, and strengthened.

(3) Addressing trauma in Vermont requires building resilience in those individuals already affected and preventing childhood trauma within the next generation.

(4) Early childhood adversity and adverse family events are common and can be prevented. When adversity is not prevented, early intervention is essential to ameliorate the impacts of adversity. A statewide, community-

based, public health approach is necessary to effectively address what is a chronic public health disorder. To that end, Vermont shall implement an overarching public health model based on neurobiology, resilience, epigenetics, and the science of adverse childhood and family experiences with regard to toxic stress. This model shall include training for local leaders to facilitate a cultural change around the prevention and treatment of childhood trauma.

(5) Addressing health in all policies shall be a priority of the Agency of Human Services in order to foster flourishing, self-healing communities.

(6) Service systems shall be integrated at the local and regional levels to maximize resources and simplify how systems respond to individual and family needs. All programs and services shall be evidence-informed and research-based, adhering to best practices in trauma treatment.

§ 3352. DEFINITIONS

As used in this chapter:

(1) “Adverse childhood experiences” or “ACEs” means potentially traumatic events that occur during childhood and can have negative, lasting effects on the adult’s health and well-being.

(2) “Adverse family experiences” or “AFEs” means potentially traumatic events experienced by a child in his or her home or community that can have negative, lasting effects on the child’s health and well-being.

(3) “Social determinants of health” means the conditions in which people are born, grow, live, work, and age, including socioeconomic status, education, the physical environment, employment, social support networks, and access to health care.

(4) “Trauma-informed” means a type of program, organization, or system that realizes the widespread impact of trauma and understands there are potential paths for recovery; recognizes the signs and symptoms of trauma in clients, families, staff, and others involved in a system; responds by fully integrating knowledge about trauma into policies, procedures, and practices; and seeks to actively resist retraumatization.

(5) “Toxic stress” means strong, frequent, or prolonged experience of adversity without adequate support.

§ 3353. DIRECTING TRAUMA-INFORMED SYSTEMS

(a) The Secretary of Human Services shall ensure that one or more persons within the Agency are responsible for coordinating the Agency’s response to adverse childhood and family experiences and collaborating with community partners to build trauma-informed systems, including:

(1) coordinating the Agency's childhood trauma prevention, screening, and treatment efforts with any similar efforts occurring elsewhere in State government;

(2) disseminating training materials for early child care and learning professionals, in conjunction with the Agency of Education, regarding the identification of students exposed to adverse childhood and family experiences and of strategies for referring families to community health teams and primary care medical homes;

(3) developing and implementing programming modeled after Vermont's Resilience Beyond Incarceration and Kids-A-Part programs to address and reduce trauma and associated health risks to children of incarcerated parents;

(4) developing a plan that builds on work completed pursuant to 2015 Acts and Resolves No. 46, especially with respect to positive behavior intervention and supports (PBIS) and full-service and trauma-informed schools, in conjunction with the Secretary of Education and other stakeholders, for creating a trauma-informed school system throughout Vermont;

(5) developing a plan that builds on work being done by early child care and learning professionals for children ages 0–5 regarding collaboration with health care professionals in medical homes, including assisting in the screening and surveillance of young children; and

(6) support efforts to develop a framework for outreach and partnership with local community groups to build flourishing communities.

(b) The person or persons directing the Agency's work related to adverse childhood and family experiences, in consultation with the Child and Family Trauma Committee established pursuant to section 3354 of this chapter, shall provide advice and support to the Secretary and to each of the Agency's departments in addressing the prevention and treatment of adverse childhood and family experiences and building of trauma-informed systems. This person or persons shall also support the Secretary and departments in connecting communities and organizations with the appropriate resources for recovery when traumatic events occur.

§ 3354. CHILD AND FAMILY TRAUMA COMMITTEE

(a) Creation. There is created the Child and Family Trauma Committee within the Agency of Human Services for the purpose of providing guidance to the Agency in its efforts to mitigate childhood trauma and build resiliency in accordance with the following principles:

(1) prioritization of a multi-generational approach to support health and mitigate adversity;

(2) recognition of the importance of actively building skills, including executive functioning and self-regulation, when designing strategies to promote the healthy development of young children, adolescents, and adults;

(3) use of approaches that are centered around early childhood, including prenatal, and that focus on building adult core capabilities; and

(4) emphasis on the integration of best practice, evidence-informed practice, and evaluation to ensure accountability and to provide evidence of effectiveness and efficiency.

(b)(1) Membership. The Committee shall be composed of the following members:

(A) the person or persons directing the Agency's work related to adverse childhood and family experiences;

(B) the Commissioner of Mental Health or designee;

(C) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(D) the Commissioner of Corrections or designee;

(E) the Commissioner of Health or designee;

(F) the Commissioner of Vermont Health Access or designee;

(G) a representative of the Department for Children and Families' Child Development Division;

(H) a representative of the Department for Children and Families' Economic Services Division;

(I) a representative of the Department for Children and Families' Family Services Division;

(J) a field services director within the Agency, appointed by the Secretary; and

(K) the Secretary of Education or designee.

(2) The Secretary of Human Services shall invite at least the following representatives to serve as members of the Committee:

(A) a representative of the Vermont Network Against Domestic and Sexual Violence;

(B) a representative of the Vermont Adoption Consortium;

(C) a representative of the Vermont Federation of Families for Children's Mental Health;

(D) a representative of Vermont Care Partners;

(E) a mental health professional, as defined in 18 V.S.A. § 7101, or a social worker, licensed pursuant to 26 V.S.A. chapter 61;

(F) a representative of the parent-child center network;

(G) a representative of Vermont Afterschool, Inc.;

(H) a representative of Building Bright Futures;

(I) a representative of Vermont's "Help Me Grow" Resource and Referral Service Program;

(J) a representative of trauma survivors or of family members of trauma survivors;

(K) a public school teacher, administrator, guidance counselor, or school nurse with knowledge about adverse childhood and family experiences;

(L) a private practice physician licensed pursuant to 26 V.S.A. chapter 23 or 33, a private practice nurse licensed pursuant to 26 V.S.A. chapter 38, or a private practice physician assistant licensed pursuant to 26 V.S.A. chapter 31;

(M) a representative of Prevent Child Abuse Vermont; and

(N) a representative of the field of restorative justice.

(c) Powers and duties. In light of current research and the fiscal environment, the Committee shall analyze existing resources related to building resilience in early childhood and advise the Agency on appropriate structures for advancing the most evidence-informed and cost-effective approaches to serve children experiencing trauma.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Human Services.

(e) Meetings.

(1) Meetings shall be held at the call of the Secretary of Human Services, but not more than 12 times annually.

(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.

Sec. 3. AGENCY APPOINTMENT RELATED TO ADVERSE CHILDHOOD AND FAMILY EXPERIENCE WORK

On or before September 1, 2017, the Secretary of Human Services shall inform the chairs of the Senate Committee on Health and Welfare and House

Committees on Health Care and on Human Services as to whether the Agency was able to reallocate a position within the Agency for the purpose of directing the Agency's work pursuant to 18 V.S.A. § 3353 or whether some other arrangement was implemented.

Sec. 4. ADVERSE CHILDHOOD AND FAMILY EXPERIENCES;
PRESENTATION

On or before February 1, 2018, the person or persons directing the Agency's work related to adverse childhood and family experiences shall present to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare findings and recommendations related to each of the following, as well as proposed legislative language where appropriate:

(1) identification of existing home visiting services and populations eligible for these services, as well as a proposal for expanding home visits to all Vermont families with a newborn infant by addressing both the financial and strategic implications of universal home visiting;

(2) identification of all existing grants administered by the Agency of Human Services for professional development related to trauma-informed training;

(3) determination of what policies, if any, the Agency of Human Services should adopt regarding the use of evidence-informed grants with community partners that are under contract with the Agency to provide trauma-informed services;

(4) development of a proposal for measuring the outcomes of each of the initiatives created by this act, including specific quantifiable data and the amount of any savings that could be realized by the prevention and mitigation of adverse childhood and family experiences; and

(5) identification of measures to assess the long-term impacts of adverse childhood and family experiences on Vermonters and to assess the effectiveness of the initiatives created by this act in interrupting the effects of adverse childhood and family experiences.

Sec. 5. INVENTORY AND INTERIM REPORT

(a) The person or persons directing the Agency's work related to adverse childhood and family experience pursuant to 33 V.S.A. § 3353, in consultation with Vermont's "Help Me Grow" Resource and Referral Service Program, shall create an inventory of available State and community resources, program capabilities, and coordination capacity in each service area of the State with regard to the following:

(1) programs or providers currently screening patients for adverse childhood and family experiences or conducting another type of trauma assessment, including VCHIP's work integrating trauma-informed services in the delivery of health care to children and the screening and surveillance work occurring in early learning programs;

(2) regional capacity to establish integrated prevention, screening, and treatment programming and apply uniformly the Department for Children and Families' Strengthening Families Framework among service providers;

(3) availability of referral treatment programs for families and individuals who have experienced childhood trauma or are experiencing childhood trauma and whether telemedicine may be used to address shortages in service, if any; and

(4) identification of any regional or programmatic gaps in services or inconsistencies in the use of adverse childhood and family experiences screening tools.

(b) On or before November 1, 2017, the person or persons directing the Agency's work related to adverse childhood and family experiences shall submit the inventory created pursuant to subsection (a) of this section and any preliminary recommendations related to Sec. 4 of this act to the Senate Committee on Health and Welfare and House Committees on Health Care and on Human Services.

Sec. 6. ADVERSE CHILDHOOD AND FAMILY EXPERIENCES; RESPONSE PLAN

On or before January 15, 2019, the person or persons directing the Agency's work related to adverse childhood and family experiences pursuant to 33 V.S.A. § 3353, shall present a plan to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare regarding the integration of evidence-informed and family-focused prevention, intervention, treatment, and recovery services for individuals affected by adverse childhood and family experiences. The plan shall address the coordination of services throughout the Agency and shall propose mechanisms for improving and engaging community providers in the systematic prevention of trauma, as well as screening, case detection, and care of individuals affected by adverse childhood and family experiences.

Sec. 7. 16 V.S.A. chapter 31, subchapter 4 is added to read:

Subchapter 4. School Nurses

§ 1441. FAMILY WELLNESS COACH TRAINING

A school nurse employed by a primary or secondary school is encouraged to participate in a training program, such as trauma-informed programming

approved by the Department of Health in consultation with the Department of Mental Health, which may include programming offered by Prevent Child Abuse Vermont. If a school nurse has completed a training program, he or she may provide family wellness coaching to those families with a student attending the school where the school nurse is employed.

Sec. 8. 18 V.S.A. § 705 is amended to read:

§ 705. COMMUNITY HEALTH TEAMS

* * *

(d) The Director shall implement a plan to enable community health teams to work with school nurses in a manner that enables a community health team to serve as:

(1) an educational resource for issues that may arise during the course of the school nurse's practice; and

(2) a referral resource for services available to students and families outside an educational institution in coordination with the primary care medical home.

Sec. 9. 18 V.S.A. § 710 is added to read:

§ 710. ADVERSE CHILDHOOD AND FAMILY EXPERIENCE
SCREENING TOOL

The Director of the Blueprint for Health, in coordination with the Women's Health Initiative, and in consultation with the person or persons directing the Agency of Human Service's work related to adverse childhood and family experiences pursuant to 18 V.S.A. § 3353, shall work with those health insurance plans that participate in Blueprint for Health payments to plan for an increase in the per-member per-month payments to primary care and obstetric practices for the purpose of incentivizing use of a voluntary evidence-informed screening tool. In addition, the Director of the Blueprint for Health shall work with these health insurers to plan for an increase in capacity payments to the community health teams for the purpose of providing trauma-informed care to individuals who screen positive for adverse childhood and family experiences.

Sec. 10. RECOMMENDATIONS RELATED TO BLUEPRINT FOR
HEALTH INCENTIVES

As part of the report due pursuant to 18 V.S.A. § 709, the Director of the Blueprint for Health shall submit any recommendations regarding the design of adverse childhood and family experience screening incentives required pursuant to 18 V.S.A. § 710.

Sec. 11. HOME VISITING REFERRALS

The person or persons directing the Agency of Human Services' work related to adverse childhood and family experiences pursuant to 18 V.S.A. § 3353 shall coordinate with the Director of the Blueprint for Health and the Women's Health Initiative to ensure all obstetric, midwifery, pediatric, naturopathic, and family medicine and internal medicine primary care practices participating in the Blueprint for Health receive information about regional home visiting services for the purpose of referring patients to appropriate services.

Sec. 12. GRANTS TO COMMUNITY PARTNERS

For the purpose of interrupting the widespread, multigenerational effects of adverse childhood and family experiences and their subsequent severe, related health problems, the Agency shall ensure that grants to its community partners related to children and families strive toward accountability and community resilience.

* * * Training and Coordination * * *

Sec. 13. CURRICULUM; UNIVERSITY OF VERMONT'S COLLEGE OF MEDICINE AND COLLEGE OF NURSING AND HEALTH SCIENCES

The General Assembly recommends that the University of Vermont's College of Medicine and College of Nursing and Health Sciences expressly include information in their curricula pertaining to adverse childhood and family experiences and their impact on short- and long-term physical and mental health outcomes.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

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

An act relating to building resilience for individuals experiencing adverse childhood and family experiences.

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

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

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.

Joint Resolution Adopted in Concurrence

J.R.H. 7.

Joint House resolution entitled:

Joint resolution authorizing the Green Mountain Boys State educational program to use the State House.

Having been placed on the Calendar for action, was taken up and adopted in concurrence.

Committees of Conference Appointed

H. 42.

An act relating to appointing municipal clerks and treasurers and to municipal audit penalties.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Collamore
Senator Ayer
Senator Pearson

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 171.

An act relating to expungement.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Nitka
Senator Sears
Senator Benning

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 494.

An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Mazza
Senator Westman
Senator Degree

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. 49

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 150. An act relating to parole eligibility.

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. 50. An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility.

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. 31. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Mazza, the Senate adjourned until nine o'clock in the morning.

FRIDAY, APRIL 21, 2017

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

**Message from the Governor
Appointment Referred**

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to committee as indicated:

Aldrich, Brad of Shelburne - Member of the Natural Resources Board - from February 21, 2017, to January 31, 2021.

To the Committee on Natural Resources and Energy.

Bills Referred

Pursuant to Temporary Rule 44A the following bills having failed to meet cross-over and being referred to the Committee on Rules are hereby referred to their respective committees of jurisdictions:

H. 327.

An act relating to the charter of the Northeast Kingdom Solid Waste Management District.

To the Committee on Government Operations.

H. 356.

An act relating to approval of amendments to the charter of the Town of Berlin.

To the Committee on Government Operations.

H. 520.

An act relating to approval of amendments to the charter of the Town of Stowe.

To the Committee on Government Operations.

Bill Referred to Committee on Finance

H. 495.

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 miscellaneous agriculture subjects.

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. 519.

An act relating to capital construction and State bonding.

Bill Referred

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

H. 150.

An act relating to parole eligibility.

To the Committee on Rules.

Bills Passed in Concurrence with Proposal of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposal of amendment:

H. 5. An act relating to investment of town cemetery funds.

H. 74. An act relating to nonconsensual sexual conduct.

H. 508. An act relating to building resilience for individuals experiencing adverse childhood experiences.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment**H. 230.**

House bill entitled:

An act relating to consent by minors for mental health treatment related to sexual orientation and gender identity.

Was taken up.

Thereupon, pending third reading of the bill, Senator McCormack moved to amend the Senate proposal of amendment in Sec. 1, 18 V.S.A. § 8350, in the last sentence, by striking out “supportive counseling” and inserting in lieu thereof other counseling services that are supportive

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 24, Nays 6.

Senator Campion 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, Brooks, Campion, Clarkson, Cummings, Degree, Ingram,

Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: *Benning, Branagan, Collamore, Flory, Rodgers, Starr.

*Senator Benning explained his vote as follows:

“Mr. President:

“I opposed this bill because I honestly believe it violates the oath I took to protect our constitution. In my view, when we encroach upon constitutional rights, we should only do so under the narrowest of circumstances when necessity requires it, and with a rationale that can be easily articulated. Our courts have held time and again that parents have a constitutional right to parent their children, which includes assisting them with their mental health needs. Our statutes, in both civil and family law, protect the right of parents to obtain medical information concerning their children. Our culture encourages family conversation to strengthen familial bonds.

“The other body presented us with a bill after recognizing that youth struggling with sexual orientation and gender identity issues might forgo mental health treatment because parental consent was required. Their bill balanced a limited encroachment upon a parent's constitutional rights against the need to protect struggling youth with this particularly difficult concern.

“But the curtailment of rights in this body's amended version utterly destroys that balance. It goes far beyond what is necessary to correct the specific problem presented by simply removing the need for parental consent in all cases dealing with outpatient mental health. Parents can be prevented from knowing about any mental health issue, can be blocked from participating in the conversation, cannot object to treatment even if they become convinced it is having negative effects, and yet ironically leaves them financially responsible for the cost and legally liable for any harm to third parties. We have failed to articulate a sufficient reason for why a parent's constitutional right should be completely eliminated in all such cases. I also believe the cure we have created may have the unintended consequence of being far worse than the disease when it comes to family dynamics.

“For all of the above reasons, I voted against this bill.”

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

H. 74.

Senator Ashe moved that the rules be suspended and the Senate reconsider its action on Senate bill entitled:

An act relating to nonconsensual sexual conduct.

Which was agreed to.

Thereupon, pending the question, Shall the bill pass in concurrence?, Senator Benning, requested and was granted leave to offer a proposal of amendment after third reading.

Thereupon, pending the question, Shall the bill pass in concurrence?, Senator Benning, moved to amend the Senate proposal of amendment in Sec. 3, 13 V.S.A. § 1030, in subsection (a), by striking out the following: “Intent to violate the order is not an element of the crime, however the State must prove the person intentionally committed the act that violated the order.”

Which was agreed to.

Thereupon, the bill passed in concurrence with proposal of amendment.

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

H. 308.

House bill entitled:

An act relating to a committee to reorganize and reclassify Vermont’s criminal statutes.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment in Sec. 1, 3 V.S.A. § 168, in subdivision (b)(9), after the word “Families” by inserting the words or designee

Which was agreed to.

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

Bill Passed in Concurrence

H. 326.

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

An act relating to eligibility and calculation of grant or subsidy amount for Reach Up, Reach Ahead, and the Child Care Services Program.

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

H. 513.

House bill entitled:

An act relating to making miscellaneous changes to education law.

Was taken up.

Thereupon, pending third reading of the bill, Senators Baruth, Balint, Benning, Bray, Ingram and Mullin moved to amend the Senate proposal of amendment as follows:

First: By striking out Sec. 38 (Effective Dates), with its reader assistance, in its entirety.

Second: By adding three new sections, to be Secs. 38, 39, and 40, with reader assistances, to read:

* * * Student Rights; Freedom of Expression * * *

Sec. 38. 16 V.S.A. chapter 42 is added to read:

CHAPTER 42. STUDENT RIGHTS

§ 1623. FREEDOM OF EXPRESSION

(a) Findings.

(1) The General Assembly finds that freedom of expression and freedom of the press are fundamental principles in our democratic society granted to every citizen of the nation by the First Amendment to the U.S. Constitution and to every resident of this State by Vt. Const. Ch. I, Art. 13.

(2) These freedoms provide all citizens, including students, with the right to engage in robust and uninhibited discussion of issues.

(3) The General Assembly intends to ensure free speech and free press protections for both public school students and students at public institutions of higher education in this State in order to encourage students to become educated, informed, and responsible members of society.

(b) Definitions. As used in this chapter:

(1) "Media adviser" means an individual employed, appointed, or designated by a school or its governing body to supervise or provide instruction relating to school-sponsored media.

(2) "School" means a public school operating in the State.

(3) "School-sponsored media" means any material that is prepared, written, published, or broadcast as part of a school-supported program or activity by a student journalist and is distributed or generally made available as part of a school-supported program or activity to an audience beyond the classroom in which the material is produced.

(4) “Student journalist” means a student enrolled at a school who gathers, compiles, writes, edits, photographs, records, or prepares information for dissemination in school-sponsored media.

(5) “Student supervisor” is a student who is responsible for editing school-sponsored media.

(c)(1) Subject to subsection (e) of this section, a student journalist may exercise freedom of speech and freedom of the press in school-sponsored media.

(2) Subdivision (1) of this subsection shall not be construed to be limited by the fact that the school-sponsored media are:

(A) supported financially by a school or its governing body, or by use of facilities owned by the school; or

(B) produced in conjunction with a class in which the student journalist is enrolled.

(d)(1) Subject to subsection (e) of this section, the student supervisors of school-sponsored media are responsible for determining the content of their respective media.

(2) Subject to subdivision (1) of this subsection, a media adviser may teach professional standards of English and journalism to student journalists.

(e) This section shall not be construed to authorize or protect content of school-sponsored media that:

(1) is libelous or slanderous;

(2) constitutes an unwarranted invasion of privacy;

(3) may be defined as obscene, gratuitously profane, threatening, or intimidating;

(4) may be defined as harassment, hazing, or bullying under section 11 of this title;

(5) violates federal or State law; or

(6) creates the imminent danger of materially or substantially disrupting the ability of the school to perform its educational mission.

(f) A school is prohibited from subjecting school-sponsored media, other than that listed in subsection (e) of this section, to prior restraint. A school may restrain the distribution of content in student media described in subsection (e), provided that the school’s administration shall have the burden of providing lawful justification without undue delay. Content shall not be suppressed solely because it involves political or controversial subject matter, or is critical of the school or its administration.

(g) A student journalist may not be disciplined for acting in accordance with this section.

(h) A media adviser may not be dismissed, suspended, disciplined, reassigned, or transferred for:

(1) taking reasonable and appropriate action to protect a student journalist for engaging in conduct protected by this section; or

(2) refusing to infringe on conduct that is protected by this section, by the first amendment to the U.S. Constitution, or by the Vermont Constitution.

(i) Each school or its governing body shall adopt a written policy consistent with the provisions of this section.

(j) No expression made by students in school-sponsored media shall be deemed to be an expression of school policy.

Sec. 39. 16 V.S.A. § 180 is added to read:

§ 180. STUDENT RIGHTS—FREEDOM OF EXPRESSION

(a) Findings.

(1) The General Assembly finds that freedom of expression and freedom of the press are fundamental principles in our democratic society granted to every citizen of the nation by the First Amendment to the U.S. Constitution and to every resident of this State by Vt. Const. Ch. I, Art. 13.

(2) These freedoms provide all citizens, including students, with the right to engage in robust and uninhibited discussion of issues.

(3) The General Assembly intends to ensure free speech and free press protections for both public school students and students at public institutions of higher education in this State in order to encourage students to become educated, informed, and responsible members of society.

(b) Definitions. As used in this chapter:

(1) “Media adviser” means an individual employed, appointed, or designated by a school or its governing body to supervise or provide instruction relating to school-sponsored media.

(2) “School” means a public postsecondary school operating in the State.

(3) “School-sponsored media” means any material that is prepared, written, published, or broadcast as part of a school-supported program or activity by a student journalist and is distributed or generally made available as

part of a school-supported program or activity to an audience beyond the classroom in which the material is produced.

(4) “Student journalist” means a student enrolled at a school who gathers, compiles, writes, edits, photographs, records, or prepares information for dissemination in school-sponsored media.

(5) “Student supervisor” is a student who is responsible for editing school-sponsored media.

(c)(1) Subject to subsection (e) of this section, a student journalist may exercise freedom of speech and freedom of the press in school-sponsored media.

(2) Subdivision (1) of this subsection shall not be construed to be limited by the fact that the school-sponsored media are:

(A) supported financially by a school or its governing body, or by use of facilities owned by the school; or

(B) produced in conjunction with a class in which the student journalist is enrolled.

(d)(1) Subject to subsection (e) of this section, the student supervisors of school-sponsored media are responsible for determining the content of their respective media.

(2) Subject to subdivision (1) of this subsection, a media adviser may teach professional standards of English and journalism to student journalists.

(e) This section shall not be construed to authorize or protect content of school-sponsored media that:

(1) is libelous or slanderous;

(2) constitutes an unwarranted invasion of privacy;

(3) may be defined as obscene, gratuitously profane, threatening, or intimidating;

(4) may be defined as harassment, hazing, or bullying under section 11 of this title;

(5) violates federal or State law; or

(6) creates the imminent danger of materially or substantially disrupting the ability of the school to perform its educational mission.

(f) Absent a showing that a particular publication will cause direct, immediate, and irreparable harm that would warrant the issuance of a prior restraint order against the private media, school officials are not authorized to censor or subject to prior restraint the content of school-sponsored media.

Content shall not be suppressed solely because it involves political or controversial subject matter, or is critical of the school or its administration.

(g) A student journalist may not be disciplined for acting in accordance with this section.

(h) A media adviser may not be dismissed, suspended, disciplined, reassigned, or transferred for:

(1) taking reasonable and appropriate action to protect a student journalist for engaging in conduct protected by this section; or

(2) refusing to infringe on conduct that is protected by this section, by the first amendment to the U.S. Constitution, or by the Vermont Constitution.

(i) Each school or its governing body shall adopt a written policy consistent with the provisions of this section.

(j) No expression made by students in school-sponsored media shall be deemed to be an expression of school policy.

* * * Effective Dates * * *

Sec. 40. EFFECTIVE DATES

(a) This section and Secs. 1–5, 9–12, and 14–39 shall take effect on passage.

(b) Secs. 6–8 (speech-language pathologists) shall take effect on January 1, 2018.

(c) Sec. 13 (State-placed students) shall take effect beginning with the 2017–2018 school year.

Which was agreed to.

Thereupon, pending third reading of the bill, Senators Baruth and White moved to amend the Senate proposal of amendment as follows:

First: By striking out Sec. 6 in its entirety and inserting in lieu thereof:

[Deleted.]

Second: By striking out Sec. 7 in its entirety and inserting in lieu thereof:

[Deleted.]

Third: By striking out Sec. 8 in its entirety and inserting in lieu thereof:

[Deleted.]

Fourth: In Sec. 38 (effective dates), by striking out subsection (b) in its entirety and by relettering the remaining section to be correct.

Which was agreed to.

Thereupon, pending third reading of the bill, Senators Baruth, Ashe, Balint, Benning, Campion, Degree, Ingram, Kitchel, Mullin, Rodgers, Sears and Starr moved to amend the Senate proposal of amendment by striking out Sec. 1 in its entirety and inserting in lieu thereof the following:

Sec. 1. APPROVED INDEPENDENT SCHOOLS STUDY COMMITTEE

(a) Creation. There is created the Approved Independent Schools Study Committee to consider and make recommendations on the criteria to be used by the State Board of Education for designation as an “approved” independent school.

(b) Membership. The Committee shall be composed of the following ten members:

(1) one current member of the House of Representatives who shall be appointed by the Speaker of the House;

(2) one current member of the Senate who shall be appointed by the Committee on Committees;

(3) the Chair of the State Board of Education or designee;

(4) the Secretary of Education or designee;

(5) the Executive Director of the Vermont Superintendent’s Association or designee;

(6) the Executive Director of the Vermont School Boards Association or designee;

(7) the Executive Director of the Vermont Independent Schools Association or designee;

(8) two representatives of approved independent schools, who shall be chosen by the Executive Director of the Vermont Independent Schools Association; and

(9) the Executive Director of the Vermont Council of Special Education Administrators or designee.

(c) Powers and duties. The Committee shall consider and make recommendations on the criteria to be used by the State Board of Education for designation as an “approved” independent school, including the following criteria:

(1) the school’s enrollment policy and any limitation on a student’s ability to enroll;

(2) how the school should be required to deliver special education services and which categories of these services; and

(3) the scope and nature of financial information and special education information that should be required to be reported by the school to the State Board or Agency of Education.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Education.

(e) Report. On or before January 15, 2018, the Committee shall submit a written report to the House and Senate Committees on Education with its findings and any recommendations, including recommendations for any amendments to legislation.

(f) Legislative intent. It is the intent of the General Assembly to resolve the issues raised by the State Board of Education's proposed amendments to the 2200 Series of the Rules and Practices of the State Board of Education, initiated by the State Board on November 13, 2015, within the framework of the Committee created under this section. To that end and notwithstanding any provision to the contrary under 16 V.S.A. § 164, these proposed amendments shall be null, void, and of no effect. The State Board may initiate new amendments to the 2200 Series of its Rules and Practices, amendments consistent with the recommendations of the Committee, after the date the report required under subsection (e) of this section is delivered to the House and Senate Committees on Education.

(g) Meetings.

(1) The Secretary of Education shall call the first meeting of the Committee to occur on or before May 30, 2017.

(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 January 16, 2018.

(h) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than seven meetings.

(2) Other members of the Committee 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 for no more than seven meetings.

Which was agreed to.

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

Proposal of Amendment; Third Reading Ordered

H. 167.

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

An act relating to alternative approaches to addressing low-level illicit drug use.

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. MISDEMEANOR POSSESSION OF DRUGS; PRETRIAL SERVICES

(a) It is the intent of the General Assembly to encourage persons cited or arrested for a misdemeanor drug possession charge to engage with pretrial services, and, if appropriate, enter treatment, and that, in turn, a person who complies with such conditions will be eligible for dismissal of the charge.

(b) The Attorney General, the Defender General, and the Executive Director of the Department of State's Attorneys and Sheriffs shall work collaboratively to develop a specific legislative proposal to accomplish this intent with an implementation date of July 1, 2018 and report to the Senate and House Committees on Judiciary and on Appropriations, the Senate Committee on Health and Welfare, and the House Committee on Human Services on or before November 1, 2017.

Sec. 2. EFFECTIVE DATE

This 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 the proposal of amendment was agreed to.

Thereupon, pending the question, Shall the bill be read third time?, Senators White, Pearson, Rodgers and Sears moved to amend the Senate proposal of amendment as follows:

Before Sec. 1 by inserting a reader assistance to read

* * * Misdemeanor Possession of Drugs Study * * *

and by striking out Sec. 2 (effective date) and inserting in lieu thereof the following:

* * * Findings * * *

Sec. 2. 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) 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.

* * * Prevention * * *

Sec. 3. 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 Agency of Agriculture, Food, and Markets, 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 youth 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 youth 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 youth who have been identified by the Youth Risk Behavior Survey as having an increased risk of substance abuse.

(2) On or before March 15, 2018, 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, 2018.

(b) The Department shall include questions in its biannual Youth Risk Behavior Survey to monitor the use of marijuana by youth 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 youth shall be maintained and organized in a manner that enables the pursuit of future longitudinal studies.

* * * Legal Possession; Civil and Criminal Penalties * * *

Sec. 4. LEGISLATIVE INTENT; CIVIL AND CRIMINAL PENALTIES

It is the intent of the General Assembly to eliminate all civil penalties for possession of one ounce or less of marijuana and a small number of marijuana plants for a person who is 21 years of age or older while retaining the current criminal penalties for possession of larger amounts of marijuana and criminal penalties for unauthorized dispensing or sale of marijuana. This act also retains the current civil and criminal penalties for possession of marijuana by a person under 21 years of age, which are the same as possession of alcohol by a person under 21 years of age.

Sec. 5. 18 V.S.A. § 4201(15) is amended to read:

(15)(A) "Marijuana" means ~~any plant material of the genus *Cannabis* 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. 6. 18 V.S.A. § 4230 is amended to read:

§ 4230. MARIJUANA

(a) Possession and cultivation.

(1)(A) No person shall knowingly and unlawfully possess more than one ounce of marijuana or more than five grams of hashish or cultivate more than two mature marijuana plants or four immature marijuana plants. For a first offense under this subdivision (A), a person shall be provided the opportunity to participate in the Court Diversion Program unless the prosecutor states on the record why a referral to the Court Diversion Program would not serve the ends of justice. A person convicted of a first offense under this subdivision shall be imprisoned not more than six months or fined not more than \$500.00, or both.

(B) A person convicted of a second or subsequent offense of knowingly and unlawfully possessing more than one ounce of marijuana or more than five grams of hashish or cultivating more than two mature marijuana plants or four immature marijuana plants shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

(C) Upon an adjudication of guilt for a first or second offense under this subdivision, the court may defer sentencing as provided in 13 V.S.A. § 7041 except that the court may in its discretion defer sentence without the filing of a presentence investigation report and except that sentence may be imposed at any time within two years from and after the date of entry of deferment. The court may, prior to sentencing, order that the defendant submit to a drug assessment screening which may be considered at sentencing in the same manner as a presentence report.

(2) A person knowingly and unlawfully possessing two ounces of marijuana or 10 grams of hashish or knowingly and unlawfully cultivating more than ~~three plants~~ of four mature marijuana plants or eight immature marijuana plants shall be imprisoned not more than three years or fined not more than \$10,000.00, or both.

(3) A person knowingly and unlawfully possessing more than one pound ~~or more~~ of marijuana or more than 2.8 ounces ~~or more~~ of hashish or knowingly and unlawfully cultivating more than ~~10 plants of~~ six mature marijuana plants or 12 immature marijuana plants shall be imprisoned not more than five years or fined not more than ~~\$100,000.00~~ \$10,000.00, or both.

(4) A person knowingly and unlawfully possessing more than 10 pounds ~~or more~~ of marijuana or more than one pound ~~or more~~ of hashish or knowingly and unlawfully cultivating more than ~~25 plants of~~ 12 mature marijuana plants or 24 immature marijuana plants shall be imprisoned not more than 15 years or fined not more than \$500,000.00, or both.

(5) If a court fails to provide the defendant with notice of collateral consequences in accordance with 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.

(6) The amounts of marijuana in this subsection shall not include marijuana cultivated, harvested, and stored in accordance with section 4230e of this title.

* * *

Sec. 7. 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 and two mature marijuana plants or fewer or four immature marijuana plants or fewer 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. The one-ounce limit of marijuana or five grams of hashish that may be possessed

by a person 21 years of age or older shall not include marijuana cultivated, harvested, and stored in accordance with section 4230e of this title.

~~(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 or chapter 37 of this title or 16 V.S.A. § 140.

(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.

~~(e)(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.~~

~~(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.;~~

(1) 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;

(2) 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;

(3) limit the authority of primary and secondary schools to impose administrative penalties for the possession of marijuana on school property;

(4) prohibit a municipality from adopting a civil ordinance to provide additional penalties for consumption of marijuana in a public place;

(5) prohibit a landlord from banning possession or use of marijuana in a lease agreement; or

(6) 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.

~~(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. 8. 18 V.S.A. § 4230b is amended to read:

§ 4230b. MARIJUANA POSSESSION BY A PERSON UNDER 21 YEARS OF AGE; CIVIL VIOLATION

(a) Offense. 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 or two mature marijuana plants or fewer or four immature marijuana plants or fewer 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 30 days, for a first offense; and

(2) a civil penalty of not more than \$600.00 and suspension of the person's operator's license and privilege to operate a motor vehicle for a period of 90 days, for a second or subsequent offense.

* * *

Sec. 9. 18 V.S.A. § 4230e is added to read:

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

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

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

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

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

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

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

(B) in an enclosure that is screened from public view and reasonable precautions are taken to prevent unauthorized access to the marijuana.

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

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

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

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

Sec. 10. 18 V.S.A. § 4230f is added to read:

§ 4230f. 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) 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.

(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. 11. 18 V.S.A. § 4230g is added to read:

§ 4230g. 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. 12. 18 V.S.A. § 4230h is added to read:

§ 4230h. CHEMICAL EXTRACTION VIA BUTANE OR HEXANE
PROHIBITED

(a) No person shall manufacture concentrated marijuana by chemical extraction or chemical synthesis using butane or hexane unless authorized as a dispensary pursuant to a registration issued by the Department of Public Safety pursuant to chapter 86 of this title.

(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.

* * * Commercial Marijuana Regulation * * *

Sec. 13. 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) “Agency” means the Agency of Agriculture, Food, and Markets.

(3) “Applicant” means a person that applies for a license to operate a marijuana establishment pursuant to this chapter.

(4) “Child care facility” means a child care facility or family day care home licensed or registered under 33 V.S.A. chapter 35.

(5) “Commissioner” means the Commissioner of Public Safety.

(6) “Department” means the Department of Public Safety.

(7) “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.

(8) “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.

(9) “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.

(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 Agency 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 Agency to engage in commercial marijuana activity in accordance with this chapter.

(13) “Marijuana retailer” or “retailer” means a person licensed by the Agency 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 Agency 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.

(22) “Secretary” means the Secretary of Agriculture, Food, and Markets.
§ 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 chapter 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 (a) 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; or

(3) is designed to appeal to children or persons under 18 years of age by portraying anyone under 18 years of age or objects suggestive of the presence of anyone under 18 years of age, or containing the use of a figure, a symbol, or language that is customarily associated with anyone under 18 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) In accordance with section 4512 of this chapter, the Agency 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.

(d) 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 Agency 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) There is established the Marijuana Advisory Board within the Agency for the purpose of advising the Agency 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 Secretary of Agriculture, Food and Markets or designee;
- (B) the Commissioner of Public Safety 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 Secretary of Administration shall convene the first meeting of the Board on or before June 1, 2017 and shall attend Board meetings.

§ 4512. RULEMAKING

(a) The Agency shall adopt rules to implement this chapter on or before March 15, 2018, in accordance with subdivisions (1)–(4) of this subsection.

(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) The Agency shall consult with the Department in the development and adoption of the following rules identified in subsection (a) of this section:

(1) regarding any marijuana establishment, subdivisions (1)(B), (G), (K), (L), (P), and (Q);

(2) regarding cultivators, subdivision (2)(A)(vi);

(3) regarding retailers, subdivisions (4)(B), (C), and (E); and

(4) regarding testing laboratories, subdivisions (5)(B), (C), and (D).

§ 4513. IMPLEMENTATION

(a)(1) On or before April 15, 2018, the Agency shall begin accepting applications for cultivator licenses and testing laboratory licenses. The initial application period shall remain open for 30 days. The Agency may reopen the application process for any period of time at its discretion.

(2) On or before June 15, 2018, the Agency shall begin issuing cultivator licenses and testing laboratory licenses to qualified applicants.

(b)(1) On or before May 15, 2018, the Agency shall begin accepting applications for retail licenses. The initial application period shall remain open for 30 days. The Agency may reopen the application process for any period of time at its discretion.

(2) On or before September 15, 2018, the Agency 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, 2019.

(c)(1) Prior to July 1, 2019, provided applicants meet the requirements of this chapter, the Agency shall issue:

(A) an unlimited number of cultivator licenses that permit a cultivation space of not more than 500 square feet;

(B) a maximum of 20 cultivator licenses that permit a cultivation space of more than 500 square feet but not more than 1,000 square feet;

(C) a maximum of 15 cultivator licenses that permit a cultivation space of more than 1,000 square feet up to 2,500 square feet;

(D) a maximum of 10 cultivator licenses that permit a cultivation space of more than 2,500 square feet up to 5,000 square feet;

(E) a maximum of five cultivator licenses that permit a cultivation space of more than 5,000 square feet up to 10,000 square feet;

(F) a maximum of five testing laboratory licenses; and

(G) a maximum of 42 retailer licenses.

(2) On or after July 1, 2019, the limitations in subdivision (1) of this subsection shall not apply and the Agency 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 prior to July 1, 2019 may apply to the Agency to modify its license to expand its cultivation space.

§ 4514. CIVIL CITATIONS; SUSPENSION AND REVOCATION OF
LICENSES

(a) The Agency 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 Agency 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 Agency.

(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 Agency 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 Agency. 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 Agency. Failure to provide proof of insurance to the Agency, 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 chapters 84 or 86 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 Agency, 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 Agency 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 Agency 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 Agency 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 Agency 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 Agency. A license shall not be renewed unless the records of the Agency 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 Agency 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 Agency. 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 Agency 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 Agency shall obtain from the Department 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 Agency and 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 Agency.

(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 Agency, in consultation with 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. Previous nonviolent drug-related convictions shall not automatically disqualify an applicant. 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 Agency's determination in Superior Court in accordance with Rule 75 of the Vermont Rules of Civil Procedure.

(f) 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 which is either indoors, or if outdoors, not visible to the public, and which can only be accessed by principal officers and employees of the licensee who have valid identification cards.

(c) An applicant shall designate on his or her 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 Agency.

(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. Rules shall take into consideration that different labeling requirements may be appropriate depending on whether the marijuana is sold to a wholesaler, product manufacturer, or retailer.

(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 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 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;

(2) purchase marijuana from a licensed cultivator; and

(3) provide marijuana to a licensed testing laboratory.

(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 Agency 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 Agency 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 Agency 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:

(A) \$1,000.00 for a cultivation space that does not exceed 500 square feet.

(B) \$3,000.00. for a cultivation space of more than 500 square feet but not more than 1,000 square feet.

(C) \$7,500.00 for a cultivation space of 1,001–2,500 square feet.

(D) \$15,000.00 for a cultivation space of 2,501–5,000 square feet.

(E) \$30,000.00 for a cultivation space of 5,001–10,000 square feet.

(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 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, 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:

(A) \$1,000.00 for a cultivation space that does not exceed 500 square feet.

(B) \$3,000.00. for a cultivation space of more than 500 square feet but not more than 1,000 square feet.

(C) \$7,500.00 for a cultivation space of 1,001–2,500 square feet.

(D) \$15,000.00 for a cultivation space of 2,501–5,000 square feet.

(E) \$30,000.00 for a cultivation space of 5,001–10,000 square feet.

(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 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) two members of the public appointed by the Governor;

(2) two members of the House of Representatives, appointed by the Speaker of the House;

(3) two members of the Senate, appointed by the Committee on Committees; and

(4) the Attorney General or designee.

(c) Term. Legislative members shall serve only while in office.

§ 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) 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;

(4) keep updated on the latest information in Vermont and other jurisdictions regarding the prevention and detection of impaired driving as it relates to marijuana;

(5) study the opportunity for a cooperative agriculture business model and licensure and community supported agriculture;

(6) examine whether Vermont should allow additional types of marijuana establishment licenses, including a processor license and product manufacturer license;

(7) 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;

(8) monitor supply and demand of marijuana cultivated and sold pursuant to this act for the purpose of assisting the Agency of Agriculture, Food, and Markets 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;

(9) monitor the extent to which marijuana is accessed through both the legal and illegal market by persons under 21 years of age;

(10) identify strategies for preventing youth from using marijuana;

(11) identify academic and scientific research, including longitudinal research questions, that when completed may assist policymakers in developing marijuana policy in accordance with this act;

(12) consider whether to create a local revenue stream which may include a local option excise tax on marijuana sales or municipally assessed fees;

(13) 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

(14) report any recommendations to the General Assembly and the Governor, as needed.

(b) On or before January 15, 2020, 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, 2017.

(2) The Commission shall select a chair from among its members at the first meeting.

(3) A majority of the membership shall constitute a quorum.

(4) 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. 14. 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 Agency of Agriculture, Food, and Markets.

(b) The Agency of Agriculture, Food, and Markets 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. 15. 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. 16. 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. 17. 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. 18. 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. 19. 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. 20. 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. 21. 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 comprehensively address 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, 2018 regarding implementation of this section.

Sec. 22. 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.

Sec. 23. 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 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 the enforcement impaired driving.

* * * Appropriations and Positions * * *

Sec. 24. FISCAL YEAR 2018 APPROPRIATIONS FROM THE
MARIJUANA REGULATION AND RESOURCE FUND

In fiscal year 2018 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) Agency of Agriculture, Food and Markets:

(A) \$112,500.00 for the Vermont Agriculture and Environmental Lab.

(B) \$272,500.00 for staffing expenses related to rulemaking, program administration, and processing of applications and licenses.

(4) Agency of Administration: \$150,000.00 for expenses and staffing of the Marijuana Program Review Commission established in this act.

Sec. 25. EXECUTIVE BRANCH POSITION AUTHORIZATIONS

The establishment of the following new permanent classified positions is authorized in fiscal year 2018 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 Agency of Agriculture, Food and Markets—one (1) Agriculture Chemist and two (2) Program Administrator.

(4) In the Marijuana Program Review Commission—one (1) exempt Commission Director.

Sec. 26. MARIJUANA REGULATION AND RESOURCE FUND
BUDGET AND REPORT

Annually, through 2019, 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. 27. 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. 28. 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. 29. WORKFORCE STUDY COMMITTEE

(a) Creation. There is created the 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, employer-wide, 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, 2017, 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, 2017.

(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, 2017.

Sec. 30. 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 18 V.S.A. § 4230e relating to cultivation of marijuana.

* * * Effective Dates * * *

Sec. 31. EFFECTIVE DATES

(a) This section and Secs. 1 (misdemeanor drug possession study), 2 (legislative findings and intent), 3 (marijuana youth education and prevention), 13 (marijuana establishments), 14 (marijuana taxes), and 29 (Workforce Study Committee) shall take effect on passage.

(b) Secs. 12 (chemical extraction via butane or hexane prohibited), 17 (consumption or possession of marijuana by the operator of a motor vehicle), 18 (consumption or possession of marijuana by a passenger of a motor vehicle), 21 (Vermont Governor's Highway Safety Program), 22 (reporting impaired driving data), 23 (training for law enforcement; impaired driving), 24 (appropriations), 25 (positions), 26 (Marijuana Regulation and Resource Fund budget and report), 27 (local authority to regulate marijuana establishments), and 28 (zoning) shall take effect on July 1, 2017.

(c) Sec. 15 (taxes; definitions) shall take effect on January 1, 2018 and shall apply to taxable year 2018 and after.

(d) Secs. 4 (legislative intent; civil and criminal penalties), 5 (marijuana definition), 6 (marijuana; criminal), 7 (marijuana; civil), 8 (marijuana possession by a person under 21 years of age), 9 (cultivation of marijuana by a person 21 years of age or older), 10 (sale or furnishing marijuana to a person under 21 years of age; criminal), 11 (sale of furnishing marijuana to a person under 21 years of age; civil action for damages), 16 (sales tax), 19 (commercial motor vehicle), 20 (disqualification; commercial motor vehicle), and 30 (Judicial Bureau; jurisdiction) shall take effect on January 2, 2019.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as moved by Senators White, Pearson, Rodgers and Sears? Senator Flory raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that the proposal of amendment offered by Senators White, Pearson, Rodgers and Sears was *not germane* to the bill and therefore could not be considered by the Senate.

The President *sustained* the point of order and ruled that the proposal of amendment offered by Senators White, Pearson, Rodgers and Sears was *not germane* to the bill under Sec. 402 of Mason's Manual of Legislative Procedure, and therefore could not be considered by the Senate.

Thereupon, Senator Sears moved that the rules be suspended in order to permit consideration of the proposal of amendment on its merits, despite being not germane pursuant to Sec. 402 of Manson's Manual of Legislative Procedure. Which was agreed to on a division of the Senate Yeas 23, Nays 7 (the 3/4ths majority being attained).

Thereupon, the question, Shall the Senate proposal of amendment be amended was agreed to on a roll call, Yeas 21, Nays 9.

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: Ashe, Ayer, Balint, Baruth, Benning, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Lyons, MacDonald, McCormack, Pearson, Pollina, Rodgers, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Branagan, Collamore, Degree, Flory, Kitchel, Mazza, Mullin, Nitka, Starr.

Thereupon, third reading of the bill was ordered.

House Proposal of Amendment Concurred In with Amendment

S. 23.

House proposal of amendment to Senate bill entitled:

An act relating to juvenile jurisdiction.

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. 13 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this subchapter:

* * *

(15)(A) “Conviction” means a judgment of guilt following a verdict or finding of guilt, a plea of guilty, a plea of nolo contendere, an Alford Plea, or a judgment of guilt pursuant to a deferred sentence. A sex offender whose sentence is deferred shall have no duty to register after successful completion of the terms of the deferred sentence agreement for the duration specified in the agreement.

(B) A sex offender treated as a youthful offender pursuant to 33 V.S.A. chapter 52A shall have no duty to register unless the offender’s youthful offender status is revoked and he or she is sentenced for the offense in the Criminal Division of Superior Court.

* * *

Sec. 2. 28 V.S.A. chapter 16 is added to read:

CHAPTER 16. YOUTHFUL OFFENDERS

§ 1161. POWERS AND RESPONSIBILITIES OF THE COMMISSIONER REGARDING SUPERVISION OF YOUTHFUL OFFENDERS

In accordance with 33 V.S.A. chapter 52A, the Commissioner shall be charged with the following powers and responsibilities regarding supervision of youthful offenders:

(1) consistent with 33 V.S.A. § 5284(d), to designate a case manager who, together with a case manager appointed by the Commissioner for Children and Families, will determine the lead Department to preside over the case plan and the provision of services to youths who are adjudicated as youthful offenders;

(2) together with the Commissioner for Children and Families, to maintain the general supervision of youths adjudicated as youthful offenders and placed on conditions of juvenile probation; and

(3) to supervise the administration of probation services and establish policies and standards regarding youthful offender probation investigation, supervision, case work, record keeping, and the qualification of probation

officers working with youthful offenders.

§ 1162. METHODS OF SUPERVISION

(a) Electronic monitoring. The Commissioner may utilize an electronic monitoring system to supervise a youthful offender placed on juvenile probation.

(b) Graduated sanctions.

(1) If ordered by the court pursuant to a modification of a youthful offender disposition under 33 V.S.A. § 5285(c)(1), the Commissioner may sanction the youthful offender in accordance with rules adopted pursuant to subdivision (2) of this subsection.

(2) The Department of Corrections shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish graduated sanction guidelines for a youthful offender who violates the terms of his or her probation.

Sec. 3. 33 V.S.A. § 5102 is amended to read:

§ 5102. DEFINITIONS AND PROVISIONS OF GENERAL APPLICATION

As used in the juvenile judicial proceedings chapters, unless the context otherwise requires:

* * *

(2) “Child” means any of the following:

* * *

(C) An individual who has been alleged to have committed or has committed an act of delinquency after becoming 10 years of age and prior to becoming ~~18~~ 22 years of age; provided, however:

(i) that an individual who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining ~~the age of 10~~ 12 years of age but not ~~the age of 14~~ years of age may be treated as an adult as provided therein;

* * *

(9) “Delinquent act” means an act designated a crime under the laws of this State, or of another state if the act occurred in another state, or under federal law. A delinquent act shall include 7 V.S.A. §§ ~~656 and 657~~ § 656; however, it shall not include:

(A) snowmobile offenses in 23 V.S.A. chapter 29, subchapter 1 and motorboat offenses in 23 V.S.A. chapter 29, subchapter 2, except for violations of sections 3207a, 3207b, 3207c, 3207d, and 3323;

(B) pursuant to 4 V.S.A. § 33(b), felony motor vehicle offenses committed by an individual who is at least 16 years of age or older, except for violations of 23 V.S.A. chapter 13, subchapter 13 and of 23 V.S.A. § 1091.

* * *

(22) “Party” includes the following persons:

(A) the child with respect to whom the proceedings are brought;

(B) the custodial parent, the guardian, or the custodian of the child in all instances except a hearing on the merits of a delinquency petition;

(C) the noncustodial parent for the purposes of custody, visitation, and such other issues ~~which~~ that the Court court may determine are proper and necessary to the proceedings, provided that the noncustodial parent has entered an appearance;

(D) the State’s Attorney;

(E) the Commissioner for Children and Families;

(F) such other persons as appear to the ~~Court~~ court to be proper and necessary to the proceedings; and

(G) in youthful offender cases brought under 33 V.S.A. chapter 52A, the Commissioner of Corrections.

* * *

Sec. 4. 33 V.S.A. § 5112 is amended to read:

§ 5112. ATTORNEY AND GUARDIAN AD LITEM FOR CHILD

(a) The Court shall appoint an attorney for a child who is a party to a proceeding brought under the juvenile judicial proceedings chapters.

(b) The Court shall appoint a guardian ad litem for a child under 18 years of age who is a party to a proceeding brought under the juvenile judicial proceedings chapters. In a delinquency proceeding, a parent, guardian, or custodian of the child may serve as a guardian ad litem for the child, providing his or her interests do not conflict with the interests of the child. The guardian ad litem appointed under this section shall not be a party to that proceeding or an employee or representative of such party.

Sec. 5. 33 V.S.A. chapter 52A is added to read:

CHAPTER 52A. YOUTHFUL OFFENDERS

§ 5280. COMMENCEMENT OF YOUTHFUL OFFENDER PROCEEDINGS IN THE FAMILY DIVISION

(a) A proceeding under this chapter 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.

§ 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 22 years of age in a criminal proceeding who had attained 12 years of age but not 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 or the filing of a youthful offender petition pursuant to section 5280 of this title, the Family Division shall hold a hearing pursuant to section 5283 of this title. Pursuant to section 5110 of this title, the hearing shall be confidential. 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 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)(1) If the Family Division rejects the case for youthful offender treatment pursuant to subsection 5284 of this title, the case shall be transferred to the Criminal Division. 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 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.

§ 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 for Children and Families 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 diversion is appropriate for the youth because the youth is a low to moderate risk to reoffend;

(2) a recommendation as to whether youthful offender status is appropriate for the youth; and

(3) a description of the services that may be available for the youth.

(c) A report filed pursuant to this section is privileged and shall not be disclosed to any person other than:

(1) the Department;

(2) the court;

(3) the State’s Attorney;

(4) the youth, the youth’s attorney, and the youth’s guardian ad litem;

(5) the youth’s parent, guardian, or custodian if the youth is under 18 years of age, unless the court finds that disclosure would be contrary to the best interest of the child;

(6) the Department of Corrections; or

(7) any other person when the court determines that the best interests of the youth would make such a disclosure desirable or helpful.

§ 5283. HEARING IN FAMILY DIVISION

(a) Timeline. A youthful offender status hearing 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) All youthful offender proceedings shall be confidential.

(d) Burden of proof. 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.

§ 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 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 for Children and Families and the Department of Corrections 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 for Children and Families and the Department of Corrections 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 for Children and Families and the Department of Corrections shall be responsible for supervision of and providing services to the youth until he or she reaches 22 years of age. Both Departments shall designate a case manager who together shall appoint a lead Department to 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 both Departments.

§ 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 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 and transfer the case with a record of the petition, affidavit, adjudication, disposition, and revocation 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 transferred to the Criminal Division pursuant to 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.

§ 5286. REVIEW PRIOR TO 18 YEARS OF AGE

(a) If a youth is adjudicated as a youthful offender prior to reaching 18 years of age, the Family Division shall review the youth's case before he or she reaches 18 years of age and set a hearing to determine whether the court's jurisdiction over the youth should be continued past 18 years of age. The hearing may be joined with a motion to terminate youthful offender status under section 5285 of this title. The court shall provide notice and an opportunity to be heard at the hearing to the State's Attorney, the youth, the Department for Children and Families, and the Department of Corrections.

(b) After receiving a notice of review under this section, the State may file a motion to modify or revoke pursuant to section 5285 of this title. If such a motion is filed, it shall be consolidated with the review under this section and all options provided for under section 5285 of this title shall be available to the court.

(c) The following reports shall be filed with the court prior to the hearing:

(1) The Department for Children and Families and the Department of Corrections shall jointly report their recommendations, with supporting justifications, as to whether the Family Division should continue jurisdiction over the youth past 18 years of age and, if continued jurisdiction is recommended, propose a case plan for the youth to ensure compliance with and completion of the juvenile disposition.

(2) If the Departments recommend continued supervision of the youthful offender past 18 years of age, the Departments shall report on the services which would be available for the youth.

(d) If the court finds that it is in the best interest of the youth and consistent with community safety to continue the case past 18 years of age, it shall make an order continuing the court's jurisdiction up to 22 years of age. The Department for Children and Families and the Department of Corrections shall jointly develop a case plan for the youth and coordinate services and share information to ensure compliance with and completion of the juvenile disposition.

(e) If the court finds that it is not in the best interest of the youth to continue the case past 18 years of age, it shall terminate the disposition order, discharge the youth, and dismiss the case in accordance with subsection 5287(c) of this title.

§ 5287. TERMINATION OR CONTINUANCE OF PROBATION

(a) A motion may be filed at any time in the Family Division requesting that the court terminate the youth's status as a youthful offender and discharge him or her from probation. The motion may be filed by the State's Attorney, the youth, the Department, or the court on its own motion. The court shall set the motion for hearing and provide notice and an opportunity to be heard at the hearing to the State's Attorney, the youth, the Department for Children and Families and the Department of Corrections.

(b) In determining whether a youth has successfully completed the terms of probation, the Court shall consider:

(1) the degree to which the youth fulfilled the terms of the case plan and the probation order;

(2) the youth's performance during treatment;

(3) reports of treatment personnel; and

(4) any other relevant facts associated with the youth's behavior.

(c) If the court finds that the youth has successfully completed the terms of the probation order, it shall terminate youthful offender status, discharge the youth from probation, and file a written order dismissing the Family Division case. The Family Division shall provide notice of the dismissal to the Criminal Division, which shall dismiss the criminal case.

(d) Upon discharge and dismissal under subsection (c) of this section, all records relating to the case in the Criminal Division shall be expunged, and all records relating to the case in the Family Court shall be sealed pursuant to section 5119 of this title.

(e) If the court denies the motion to discharge the youth from probation, the court may extend or amend the probation order as it deems necessary.

§ 5288. RIGHTS OF VICTIMS IN YOUTHFUL OFFENDER PROCEEDINGS

(a) The victim in a proceeding involving a youthful offender shall have the following rights:

(1) to be notified by the prosecutor in a timely manner when a court proceeding is scheduled to take place and when a court proceeding to which he or she has been notified will not take place as scheduled;

(2) to be present during all court proceedings subject to the provisions of Rule 615 of the Vermont Rules of Evidence and to express reasonably his or her views concerning the offense and the youth;

(3) to request notification by the agency having custody of the youth before the youth is released from a residential facility;

(4) to be notified by the prosecutor as to the final disposition of the case;

(5) to be notified by the prosecutor of the victim's rights under this section.

(b) In accordance with court rules, at a hearing on a motion for youthful offender treatment, the court shall ask if the victim is present and, if so, whether the victim would like to be heard regarding disposition. In ordering disposition, the court shall consider any views offered at the hearing by the victim. If the victim is not present, the court shall ask whether the victim has expressed, either orally or in writing, views regarding disposition and shall take those views into consideration in ordering disposition.

(c) No youthful offender proceeding shall be delayed or voided by reason of the failure to give the victim the required notice or the failure of the victim to appear.

(d) As used in this section, "victim" shall have the same meaning as in 13 V.S.A. § 5301(4).

Sec. 6. 33 V.S.A. § 5291 is amended to read:

§ 5291. DETENTION OR TREATMENT OF MINORS CHARGED AS
DELINQUENTS IN SECURE FACILITIES FOR THE
DETENTION OR TREATMENT OF DELINQUENT CHILDREN

~~(a) Unless ordered otherwise at or after a temporary care hearing, the Commissioner shall have sole authority to place the child who is in the custody of the Department in a secure facility for the detention or treatment of minors.~~

~~(b) Upon a finding at the temporary care hearing that no other suitable placement is available and the child presents a risk of injury to him or herself, to others, or to property, the Court may order that the child be placed in~~ Prior to disposition, the court shall have the sole authority to place a child who is in the custody of the Department in a secure facility used for the detention or treatment of delinquent children until the Commissioner determines that a suitable placement is available for the child. The court shall not order placement in a secure facility without a recommendation from the Department that placement in a secure facility is necessary. Alternatively, the Court may order that the child be placed in a secure facility used for the detention or treatment of delinquent children for up to seven days. Any order for placement at a secure facility shall expire at the end of the seventh day following its issuance unless, after hearing, the Court extends the order for a time period not to exceed seven days. The court order shall include a finding that no other

suitable placement is available and the child presents a risk of injury to others or to property.

(b) Absent good cause shown and notwithstanding section 5227 of this title, when a child is placed in a secure facility pursuant to subsection (a) of this section and remains in a secure facility for 45 days following the preliminary hearing, the merits hearing shall be held and merits adjudicated within 45 days of the date of the preliminary hearing or the court shall dismiss the petition with prejudice. If merits have been found, the court shall review the secure facility placement order at the merits hearing.

(c) If a child is placed in a secure facility pursuant to subsection (a) of this section and secure facility placement continues following the merits hearing review pursuant to subsection (b) of this section, the court shall, within 35 days of the merits adjudication:

(1) hold the disposition hearing, or, if disposition is not held within 35 days;

(2) hold a hearing to review the continued secure facility placement.

(d) A child placed in a secure facility on an order pursuant to subsections (a), (b), or (c) of this section with a finding that no other suitable placement is available and the child presents a risk of harm to others or to property shall be entitled to an independent, second evidentiary hearing, which shall be a hearing de novo by a single justice of the Vermont Supreme Court. The Chief Justice may make an appointment or special assignment in accordance with 4 V.S.A. § 22 to conduct the de novo hearing required by this subsection. Unless the parties stipulate to the admission of portions of the trial court record, the de novo review shall be a new evidentiary hearing without regard to the record compiled before the trial court.

(e) Following disposition, the Commissioner shall have the sole authority to place a child who is in the custody of the Department in a secure facility for the detention or treatment of delinquent children pursuant to the Department's administrative policies on admission.

Sec. 7. VERMONT SUPREME COURT; RULEMAKING

The Vermont Supreme Court shall review the youthful offender proceedings statutes and consider a proposed new or amended rule for adoption on or before July 1, 2018 to make clear that a youth is waiving the right to trial by jury in cases where a youth is adjudicated in the Family Division pursuant to 33 V.S.A. §§ 5281 and 5227–5229, youthful offender status is revoked, and a criminal record of the petition, adjudication, disposition and revocation is sent to the Criminal Division pursuant to 33 V.S.A. §5285 for sentencing.

Sec. 8. REPEALS

(a) 33 V.S.A. § 5104 (retention of jurisdiction over youthful offenders) is repealed on July 1, 2018.

(b) 33 V.S.A. § 5280 (commencement of youthful offender proceedings in the Family Division) is repealed on July 1, 2018.

(c) 33 V.S.A. § 5281 (motion in Criminal Division of Superior Court) is repealed on July 1, 2018.

(d) 33 V.S.A. § 5282 (report from the Department) is repealed on July 1, 2018.

(e) 33 V.S.A. § 5283 (hearing in Family Division) is repealed on July 1, 2018.

(f) 33 V.S.A. § 5284 (determination and order) is repealed on July 1, 2018.

(g) 33 V.S.A. § 5285 (modification or revocation of disposition) is repealed on July 1, 2018.

(h) 33 V.S.A. § 5286 (review prior to the age of 18) is repealed on July 1, 2018.

(i) 33 V.S.A. § 5287 (termination or continuance of probation) is repealed on July 1, 2018.

(j) 33 V.S.A. § 5288 (rights of victims in youthful offender proceedings) is repealed on July 1, 2018.

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2017, except for Secs. 2 (Chapter 16), 5 (Chapter 52A), and 6 (detention or treatment of minors charged as delinquents in secure facilities for the detention or treatment of delinquent children) which shall take effect on July 1, 2018.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: In Sec. 5, 33 V.S.A. chapter 52A § 5283(c), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) Hearings under subsection 5284(a) of this title shall be open to the public. All other youthful offender proceedings shall be confidential.

Second: In Sec. 5, 33 V.S.A. chapter 52A § 5285(d), after the word “toward” by inserting the words or regression from

Third: In Sec. 6, 33 V.S.A. § 5291(a), after the word “injury” by inserting the following: to himself or herself, and after the word “others” by inserting the following: .

Fourth: By inserting a new section to be numbered Sec. 7a to read as follows:

Sec. 7a. 2016 Acts and Resolves No.153, Sec. 39 is amended to read:

Sec. 39. EFFECTIVE DATES

* * *

(b) Sec. 16 (powers and responsibilities of the Commissioner regarding juvenile services) shall take effect on July 1, ~~2017~~ 2018.

* * *

Which was agreed to.

Bill Called Up

S. 88.

Senate bill of the following title was called up by Senator Ayer, and, under the rule, placed on the Calendar for action the next legislative day:

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

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 Reps. Pugh and others,

H.C.R. 123.

House concurrent resolution designating Thursday, April 13, 2017 as Vermont Coalition of Runaway and Homeless Youth Programs and the Vermont Youth Development Program Awareness Day.

By Reps. Partridge and Trieber,

By Senators Balint, Branagan and White,

H.C.R. 124.

House concurrent resolution congratulating Elizabeth Ainsworth of Bellows Falls on being chosen the 2017 Vermont Mother of the Year.

By Reps. Donahue and others,

By Senators Brooks, Cummings and Pollina,

H.C.R. 125.

House concurrent resolution congratulating the 2017 Norwich University Cadets NCAA Division III championship men's ice hockey team.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 126.

House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks on winning their school's eighth consecutive Division I girls' cross-country championship.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 127.

House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks on winning their school's second-consecutive Division I boys' cross-country championship.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 128.

House concurrent resolution congratulating the Champlain Valley Union High School Redhawks on winning a fifth consecutive Division I girls' basketball championship.

By Reps. Howard and others,

By Senators Collamore, Flory and Mullin,

H.C.R. 129.

House concurrent resolution congratulating the 2017 Mount St. Joseph Academy Lady Mounties Division IV championship girls' basketball team.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 130.

House concurrent resolution congratulating the 2016-17 Champlain Valley Union High School Redhawks Division I championship boys' Nordic skiing team.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 131.

House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks State championship boys' volleyball team.

By Reps. Lewis and others,

By Senators Brooks, Cummings and Pollina,

H.C.R. 132.

House concurrent resolution honoring Norwich University ice hockey coach extraordinaire Mike McShane.

By Reps. Graham and Frenier,

By Senator MacDonald,

H.C.R. 133.

House concurrent resolution congratulating the 2017 Williamstown High School Blue Devils on winning the Division III boys' basketball championship.

By Reps. Jessup and others,

H.C.R. 134.

House concurrent resolution congratulating the U-32 High School Raiders on winning the school's fourth consecutive Division II boys' outdoor track and field championship.

By Reps. Jessup and others,

H.C.R. 135.

House concurrent resolution congratulating the 2016 U-32 High School Raiders on winning consecutive Division II girls' outdoor track and field championships.

By Reps. Stuart and others,

By Senators Balint and White,

H.C.R. 136.

House concurrent resolution congratulating Peter Gould on winning the 2016 Ellen McCulloch-Lovell Award in Arts Education.

By Rep. Ainsworth,

H.C.R. 137.

House concurrent resolution honoring Gary Wheelock for his dedicated service on behalf of the New England dairy industry.

By Reps. Head and others,

H.C.R. 138.

House concurrent resolution congratulating Maureen Eddy on graduating from the Team IMPACT program and the Saint Michael's College Purple Knights women's field hockey team for its devotion to this worthy endeavor.

By Reps. Smith and others,

By Senators Rodgers and Starr,

H.C.R. 139.

House concurrent resolution congratulating the 2017 North Country Union High School Falcons Division II championship boys' hockey team.

Message from the House No. 50

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

Mr. President:

I am directed to inform the Senate that:

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

S. 96. An act relating to a news media privilege.

And has passed the same in concurrence.

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

S. 12. An act relating to increasing the maximum prison sentence for first, second, and subsequent offenses of aggravated animal cruelty.

S. 75. An act relating to aquatic nuisance species control.

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 adopted House concurrent resolutions of the following titles:

H.C.R. 123. House concurrent resolution designating Thursday, April 13, 2017 as Vermont Coalition of Runaway and Homeless Youth Programs and the Vermont Youth Development Program Awareness Day.

H.C.R. 124. House concurrent resolution congratulating Elizabeth Ainsworth of Bellows Falls on being chosen the 2017 Vermont Mother of the Year.

H.C.R. 125. House concurrent resolution congratulating the 2017 Norwich University Cadets NCAA Division III championship men's ice hockey team.

H.C.R. 126. House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks on winning their school's eighth consecutive Division I girls' cross-country championship.

H.C.R. 127. House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks on winning their school's second-consecutive Division I boys' cross-country championship.

H.C.R. 128. House concurrent resolution congratulating the Champlain Valley Union High School Redhawks on winning a fifth consecutive Division I girls' basketball championship.

H.C.R. 129. House concurrent resolution congratulating the 2017 Mount St. Joseph Academy Lady Mounties Division IV championship girls' basketball team.

H.C.R. 130. House concurrent resolution congratulating the 2016-17 Champlain Valley Union High School Redhawks Division I championship boys' Nordic skiing team.

H.C.R. 131. House concurrent resolution congratulating the 2016 Champlain Valley Union High School Redhawks State championship boys' volleyball team.

H.C.R. 132. House concurrent resolution honoring Norwich University ice hockey coach extraordinaire Mike McShane.

H.C.R. 133. House concurrent resolution congratulating the 2017 Williamstown High School Blue Devils on winning the Division III boys' basketball championship.

H.C.R. 134. House concurrent resolution congratulating the U-32 High School Raiders on winning the school's fourth consecutive Division II boys' outdoor track and field championship.

H.C.R. 135. House concurrent resolution congratulating the 2016 U-32 High School Raiders on winning consecutive Division II girls' outdoor track and field championships.

H.C.R. 136. House concurrent resolution congratulating Peter Gould on winning the 2016 Ellen McCulloch-Lovell Award in Arts Education.

H.C.R. 137. House concurrent resolution honoring Gary Wheelock for his dedicated service on behalf of the New England dairy industry.

H.C.R. 138. House concurrent resolution congratulating Maureen Eddy on graduating from the Team IMPACT program and the Saint Michael's College Purple Knights women's field hockey team for its devotion to this worthy endeavor.

H.C.R. 139. House concurrent resolution congratulating the 2017 North Country Union High School Falcons Division II championship boys' hockey team.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Monday, April 24, 2017, at four o'clock in the forenoon pursuant to J.R.S. 31.

MONDAY, APRIL 24, 2017

The Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

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. 59. An act relating to technical corrections.

H. 111. An act relating to vital records.

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. 424.

An act relating to the Commission on Act 250: the Next 50 Years.

Consideration Postponed

H. 513.

Assuring the Chair that he voted with the majority whereby the Senate proposal of amendment was amended as moved by Senators Baruth, Ashe,

Balint, Benning, Campion, Degree, Ingram, Kitchel, Mullin, Rodgers, Sears and Starr?, Senator Bray moved that the Senate reconsider its action on House bill entitled:

An act relating to making miscellaneous changes to education law.

Thereupon, pending the question, Shall the Senate reconsider its action amending the Senate proposal of amendment?, on motion of Senator Brooks, the Senate adjourned until ten o'clock in the morning.

TUESDAY, APRIL 25, 2017

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; Placed on Action Calendar

H. 516.

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and House bill entitled:

An act relating to miscellaneous tax changes.

Was taken up for immediate consideration and placed on the action Calendar for the next legislative day.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 32.

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

By Senator Ashe,

J.R.S. 32. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, April 28, 2017, it be to meet again no later than Tuesday, May 2, 2017.

**Consideration Resumed; Action Reconsidered; Substitute Proposal of
Amendment; Bill Passed in Concurrence with Proposal of Amendment;
Rules Suspended; Bill Messaged**

H. 513.

Consideration was resumed on House bill entitled:

An act relating to making miscellaneous changes to education law.

Thereupon, the pending question, Shall the Senate reconsider it's action?, was agreed to.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as proposed by Senators Baruth, Ashe, Balint, Benning, Campion, Degree, Ingram, Kitchel, Mullin, Rodgers, Sears and Starr?, Senator Bray moved to substitute the proposal of amendment of Senators Baruth, Ashe, Balint, Benning, Campion, Degree, Ingram, Kitchel, Mullin, Rodgers, Sears and Starr by striking out Sec. 1 in its entirety and inserting in lieu thereof the following:

Sec. 1. APPROVED INDEPENDENT SCHOOLS STUDY COMMITTEE

(a) Legislative intent. It is the intent of the General Assembly to resolve the issues raised by the State Board of Education's proposed amendments to the 2200 Series of the Rules and Practices of the State Board of Education, initiated by the State Board on November 13, 2015, after taking into account the report of the Approved Independent Schools Study Committee required under subsection (f) of this section.

(b) Creation. There is created the Approved Independent Schools Study Committee to consider and make recommendations on the criteria to be used by the State Board of Education for designation as an "approved" independent school.

(c) Membership. The Committee shall be composed of the following ten members:

(1) one current member of the House of Representatives who shall be appointed by the Speaker of the House;

(2) one current member of the Senate who shall be appointed by the Committee on Committees;

(3) the Chair of the State Board of Education or designee;

(4) the Secretary of Education or designee;

(5) the Executive Director of the Vermont Superintendent's Association or designee;

(6) the Executive Director of the Vermont School Boards Association or designee;

(7) the Executive Director of the Vermont Independent Schools Association or designee;

(8) two representatives of approved independent schools, who shall be chosen by the Executive Director of the Vermont Independent Schools Association; and

(9) the Executive Director of the Vermont Council of Special Education Administrators or designee.

(d) Powers and duties. The Committee shall consider and make recommendations on the criteria to be used by the State Board of Education for designation as an “approved” independent school, including the following criteria:

(1) the school’s enrollment policy and any limitation on a student’s ability to enroll;

(2) how the school should be required to deliver special education services and which categories of these services; and

(3) the scope and nature of financial information and special education information that should be required to be reported by the school to the State Board or Agency of Education.

(e) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Education.

(f) Report. On or before December 1, 2017, the Committee shall submit a written report to the House and Senate Committees on Education and the State Board of Education with its findings and any recommendations, including recommendations for any amendments to legislation.

(g) Initiation of Rulemaking. Notwithstanding any provision to the contrary under 16 V.S.A. § 164, the State Board of Education’s proposed amendments to the 2200 Series of the Rules and Practices of the State Board of Education, initiated by the State Board on November 13, 2015, shall be null, void, and of no effect. On or before March 1, 2018, and prior to prefiling of rule amendments under 3 V.S.A. § 837, the State Board shall consider the Committee’s report required under subsection (f) of this section and submit to the House and Senate Committees on Education new draft amendments to the 2200 Series of its Rules and Practices.

(h) Meetings.

(1) The Secretary of Education shall call the first meeting of the Committee to occur on or before May 30, 2017.

(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 January 16, 2018.

(i) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than seven meetings.

(2) Other members of the Committee 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 for no more than seven meetings.

Which was agreed to.

Thereupon, the proposal of amendment of Senators Baruth, Ashe, Balint, Benning, Champion, Degree, Ingram, Kitchel, Mullin Rodgers, Sears and Starr as substituted was agreed to.

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

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

Bill Amended; Third Reading Rejected

S. 88.

Senate bill entitled:

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

Having been called up, was taken up.

Thereupon, pending the question Shall the recommendation of amendment of Health and Welfare be amended as recommended by Senator Ingram?, Senator Ingram requested and was granted leave to withdraw her amendment.

Thereupon, Senator Ingram moved to amend the recommendation of amendment of the Committee on Health and Welfare as follow:

First: By striking out Sec. 3, 7 V.S.A. § 1005, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 7 V.S.A. § 1005 is amended to read:

§ 1005. PERSONS UNDER ~~18~~ 21 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.

(b)(1) A person under 21 years of age shall not purchase or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia.

(2)(A) A person under ~~18~~ 21 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. An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24.

~~(b)(B)~~ (B) A person under ~~18~~ 21 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.

Second: By adding a new section to be Sec. 8 to read as follows:

Sec. 8. EXEMPTIONS; PERSONS ATTAINING 18 YEARS OF AGE ON OR BEFORE JULY 1, 2017

(a) Notwithstanding any provision of this act to the contrary, the prohibition on the sale or furnishing of tobacco products, tobacco substitutes, or tobacco paraphernalia to a person under 21 years of age shall not apply to any person who attained 18 years of age on or before July 1, 2017.

(b) Notwithstanding any provision of this act to the contrary, the prohibition on the purchase of or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia by a person under 21 years of age shall not apply to any person who attained 18 years of age on or before July 1, 2017.

And by renumbering the remaining section to be numerically correct

Thereupon, the recommendation of amendment of the Committee on Health and Welfare was amended as recommended by Senator Ingram.

Thereupon, the question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was agreed to.

Thereupon, third reading of the bill was rejected on a roll call, Yeas 13, Nays 16.

Senator Starr 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, Brooks, Clarkson, Cummings, Ingram, Lyons, McCormack, Pollina, Rodgers, Sirotkin, White.

Those Senators who voted in the negative were: Ashe, Benning, Branagan, Bray, Campion, Collamore, Degree, Flory, Kitchel, MacDonald, Mullin, Nitka, Pearson, Sears, Starr, Westman.

The Senator excused and not voting was: Mazza.

House Proposal of Amendment Concurred In with Amendment

S. 22.

House proposal of amendment to Senate bill entitled:

An act relating to increased penalties for possession, sale, and dispensation of fentanyl.

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

The General Assembly finds:

(1) According to Michael Botticelli, former Director of the Office of National Drug Control Policy, the National Drug Control Strategy recommends treating “addiction as a public health issue, not a crime.” Further, the strategy “rejects the notion that we can arrest and incarcerate our way out of the nation’s drug problem.”

(2) Vermont Chief Justice Paul Reiber has declared that “the classic approach of ‘tough on crime’ is not working in [the] area of drug policy” and that treatment-based models are proving to be a more effective approach for dealing with crime associated with substance abuse.

(3) A felony conviction record is a significant impediment to gaining and maintaining employment and housing, yet we know that stable

employment and housing are an essential element to recovery from substance abuse and desistance of criminal activity that often accompanies addiction.

(4) In a 2014 study by the PEW Research Center, 67 percent of people polled said government should focus more on providing treatment to people who use illicit drugs and less on punishment. The Center later reported that states are leading the way in reforming drug laws to reflect this opinion. State-level actions have included lowering penalties for possession and use of illegal drugs, shortening mandatory minimums or curbing their applicability, removing automatic sentence enhancements, and establishing or extending the jurisdiction of drug courts and other alternatives to the regular criminal justice system.

(5) Vermont must look at alternative approaches to the traditional criminal justice model for addressing low-level illicit drug use if it is going to reduce the effects of addiction and addiction-related crime in this State.

Sec. 2. STUDY

(a) The Office of Legislative Council shall examine the issue of a public health approach to low-level possession and use of illicit and regulated drugs, including fentanyl, in Vermont as an alternative to the traditional criminal justice model, looking to trends both nationally and internationally, with a goal of providing policymakers a range of approaches to consider during the 2018 legislative session.

(b) The Office of Legislative Council shall report its findings to the General Assembly on or before November 15, 2017.

Sec. 3. 18 V.S.A. § 4234b is amended to read:

§ 4234b. EPHEDRINE AND PSEUDOEPHEDRINE

* * *

(c) Electronic registry system.

(1)(A) Retail establishments shall use an electronic registry system to record the sale of products made pursuant to subsection (b) of this section. The electronic registry system shall have the capacity to block a sale of nonprescription drug products containing ephedrine base, pseudoephedrine base, or phenylpropanolamine base that would result in a purchaser exceeding the lawful daily or monthly amount. The system shall contain an override function that may be used by an agent of a retail establishment who is dispensing the drug product and who has a reasonable fear of imminent bodily harm to his or her person or to another person if the transaction is not completed. The system shall create a record of each use of the override mechanism.

(B) The electronic registry system shall be available free of charge to the State of Vermont, retail establishments, and local law enforcement agencies.

(C) The electronic registry system shall operate in real time to enable communication among in-state users and users of similar systems in neighboring states.

(D) The State shall use the National Precursor Log Exchange (NPLEx) online portal or its equivalent to host Vermont's electronic registry system.

(2)(A) Prior to completing a sale under subsection (b) of this section, a retail establishment shall require the person purchasing the drug product to present a current, valid government-issued identification document. The retail establishment shall record in the electronic registry system:

(i) the name and address of the purchaser;

(ii) the name of the drug product and quantity of ephedrine, pseudoephedrine, and phenylpropanolamine base sold in grams;

(iii) the date and time of purchase;

(iv) the form of identification presented, the issuing government entity, and the corresponding identification number; and

(v) the name of the person selling or furnishing the drug product.

(B)(i) If the retail establishment experiences an electronic or mechanical failure of the electronic registry system and is unable to comply with the electronic recording requirement, the retail establishment shall maintain a written log or an alternative electronic record-keeping mechanism until the retail establishment is able to comply fully with this subsection (c).

(ii) If the region of the State where the retail establishment is located does not have broadband Internet access, the retail establishment shall maintain a written log or an alternative electronic record-keeping mechanism until broadband Internet access becomes accessible in that region. At that time, the retail establishment shall come into compliance with this subsection (c).

(C) A retail establishment shall maintain all records of drug product purchases made pursuant to this subsection (c) for a minimum of two years.

(3) A retail establishment shall display a sign at the register provided by NPLEx or its equivalent to notify purchasers of drug products containing ephedrine, pseudoephedrine, or phenylpropanolamine base that:

(A) the purchase of the drug product or products shall result in the purchaser's identity being listed on a national database; and

(B) the purchaser has the right to request the transaction number for any purchase that was denied pursuant to this subsection (c).

(4) Except as provided in subdivision (5) of this subsection (c), a person or retail establishment that violates this subsection shall:

(A) for a first violation be assessed a civil penalty of not more than \$100.00; and

(B) for a second or subsequent violation be assessed a civil penalty of not more than \$500.00.

(d) This section shall not apply to a manufacturer ~~which~~ that has obtained an exemption from the Attorney General of the United States under Section 711(d) of the federal Combat Methamphetamine Epidemic Act of 2005.

(e) As used in this section:

(1) "Distributor" means a person, other than a manufacturer or wholesaler, who sells, delivers, transfers, or in any manner furnishes a drug product to any person who is not the ultimate user or consumer of the product.

(2) "Knowingly" means having actual knowledge of the relevant facts.

(3) "Manufacturer" means a person who produces, compounds, packages, or in any manner initially prepares a drug product for sale or use.

(4) "Wholesaler" means a person, other than a manufacturer, who sells, transfers, or in any manner furnishes a drug product to any other person for the purpose of being resold.

Sec. 5. EFFECTIVE DATES

This section and Sec. 3 (ephedrine and pseudoephedrine) shall take effect on passage. The remaining sections shall take effect on July 1, 2017.

And that after passage the title of the bill be amended to read: "An act relating to alternative approaches to addressing low-level illicit drug use and the ephedrine and pseudoephedrine registry

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with a further proposal of amendment by striking out Secs. 1 and 2 in their entirety and inserting in lieu thereof four new sections to be Secs. 1a, 1b, 2a, and 2b to read as follows:

Sec. 1a. 18 V.S.A. § 4233a is added to read:

§ 4233a. FENTANYL

(a) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing fentanyl shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling fentanyl shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of four milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 10 years or fined not more than \$250,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of 20 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 20 years or fined not more than \$1,000,000.00, or both.

(4) In lieu of a charge under this subsection, but in addition to any other penalties provided by law, a person knowingly and unlawfully selling or dispensing any regulated drug containing a detectable amount of fentanyl shall be imprisoned not more than five years or fined not more than \$250,000.00, or both.

(b) Trafficking. A person knowingly and unlawfully possessing fentanyl in an amount consisting of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl with the intent to sell or dispense the fentanyl shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses fentanyl in an amount of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl intends to sell or dispense the fentanyl. The amount of possessed fentanyl under this subsection to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be not less than 70 milligrams in the aggregate.

(c) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting more than 20 milligrams of fentanyl into Vermont with the intent to sell or dispense the fentanyl shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

Sec. 1b. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

* * *

(b) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling a depressant, stimulant, or narcotic drug, other than fentanyl, cocaine, or heroin, shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent as determined by the ~~board of health~~ Board of Health by rule shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent as determined by the ~~board of health~~ Board of Health by rule shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

Sec. 2a. 13 V.S.A. § 1404 is amended to read:

§ 1404. CONSPIRACY

(a) A person is guilty of conspiracy if, with the purpose that an offense listed in subsection (c) of this section be committed, that person agrees with one or more persons to commit or cause the commission of that offense, and at least two of the co-conspirators are persons who are neither law enforcement officials acting in official capacity nor persons acting in cooperation with a law enforcement official.

(b) No person shall be convicted of conspiracy unless a substantial overt act in furtherance of the conspiracy is alleged and proved to have been done by the defendant or by a co-conspirator, other than a law enforcement official acting in an official capacity or a person acting in cooperation with a law enforcement official, and subsequent to the defendant's entrance into the conspiracy. Speech alone may not constitute an overt act.

(c) This section applies only to a conspiracy to commit or cause the commission of one or more of the following offenses:

(1) murder in the first or second degree;

(2) arson under sections 501-504 and 506 of this title;

(3) sexual exploitation of children under sections 2822, 2823, and 2824 of this title;

- (4) receiving stolen property under sections 2561-2564 of this title; or
- (5) an offense involving the sale, delivery, manufacture, or cultivation of a regulated drug or an offense under:
 - (A) 18 V.S.A. § 4230(c), relating to trafficking in marijuana;
 - (B) 18 V.S.A. § 4231(c), relating to trafficking in cocaine;
 - (C) 18 V.S.A. § 4233(c), relating to trafficking in heroin;
 - (D) 18 V.S.A. § 4234(b)(3), relating to unlawful selling or dispensing of a depressant, stimulant, or narcotic drug, other than heroin or cocaine; ~~or~~
 - (E) 18 V.S.A. § 4234a(c), relating to trafficking in methamphetamine; or
 - (F) 18 V.S.A. § 4233a(c), relating to trafficking in fentanyl.

Sec. 2b. USE OF U.S. FOOD AND DRUG ADMINISTRATION-
APPROVED DRUGS CONTAINING CANNABIDIOL

(a) Upon approval by the U.S. Food and Drug Administration (FDA) of one or more prescription drugs containing cannabidiol, the following activities shall be lawful in Vermont:

(1) the clinically appropriate prescription for a patient of an FDA-approved prescription drug containing cannabidiol by a health care provider licensed to prescribe medications in this State and acting within his or her authorized scope of practice;

(2) the dispensing, pursuant to a valid prescription, of an FDA-approved prescription drug containing cannabidiol to a patient or a patient's authorized representative by a pharmacist or by another health care provider licensed to dispense medications in this State and acting within his or her authorized scope of practice;

(3) the possession and transportation of an FDA-approved prescription drug containing cannabidiol by a patient to whom a valid prescription was issued or by the patient's authorized representative;

(4) the possession and transportation of an FDA-approved prescription drug containing cannabidiol by a licensed pharmacy or wholesaler in order to facilitate the appropriate dispensing and use of the drug; and

(5) the use of an FDA-approved prescription drug containing cannabidiol by a patient to whom a valid prescription was issued, provided the patient uses the drug only for legitimate medical purposes in conformity with instructions from the prescriber and dispenser.

(b) Upon approval by the U.S. Food and Drug Administration of one or more prescription drugs containing cannabidiol, the Department of Health shall amend its rules to conform to the provisions of subsection (a) of this section.

Which was agreed to.

Bill Passed in Concurrence with Proposal of Amendment

H. 167.

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

An act relating to alternative approaches to addressing low-level illicit drug use.

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

S. 50.

House proposal of amendment to Senate bill entitled:

An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility.

Was taken up.

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

Sec. 1. 8 V.S.A. § 4100k is amended to read:

§ 4100k. COVERAGE OF HEALTH CARE SERVICES DELIVERED THROUGH TELEMEDICINE SERVICES

(a) All health insurance plans in this State shall provide coverage for ~~telemedicine~~ health care services delivered through telemedicine by a health care provider at a distant site to a patient ~~in a health care facility at an originating site~~ to the same extent that the ~~services would be covered plan would cover the services~~ if they were provided through in-person consultation.

(b) A health insurance plan may charge a deductible, co-payment, or coinsurance for a health care service provided through telemedicine so long as it does not exceed the deductible, co-payment, or coinsurance applicable to an in-person consultation.

(c) A health insurance plan may limit coverage to health care providers in the plan's network ~~and may require originating site health care providers to document the reason the services are being provided by telemedicine rather than in person.~~ A health insurance plan shall not impose limitations on the number of telemedicine consultations a covered person may receive that exceed limitations otherwise placed on in-person covered services.

(d) Nothing in this section shall be construed to prohibit a health insurance plan from providing coverage for only those services that are medically necessary and are clinically appropriate for delivery through telemedicine, subject to the terms and conditions of the covered person's policy.

(e) A health insurance plan may reimburse for teleophthalmology or teledermatology provided by store and forward means and may require the distant site health care provider to document the reason the services are being provided by store and forward means.

(f) Nothing in this section shall be construed to require a health insurance plan to reimburse the distant site health care provider if the distant site health care provider has insufficient information to render an opinion.

(g) In order to facilitate the use of telemedicine in treating substance use disorder, when the originating site is a health care facility, health insurers and the Department of Vermont Health Access shall ensure that ~~both the treating clinician and the hosting facility~~ the health care provider at the distant site and the health care facility at the originating site are both reimbursed for the services rendered, unless the health care providers at both the ~~host and service~~ distant and originating sites are employed by the same entity.

(h) As used in this subchapter:

(1) "Distant site" means the location of the health care provider delivering services through telemedicine at the time the services are provided.

(2) "Health insurance plan" means any health insurance policy or health benefit plan offered by a health insurer, as defined in 18 V.S.A. § 9402, as well as Medicaid and any other public health care assistance program offered or administered by the State or by any subdivision or instrumentality of the State. The term does not include policies or plans providing coverage for specified disease or other limited benefit coverage.

~~(2)~~(3) "Health care facility" shall have the same meaning as in 18 V.S.A. § 9402.

~~(3)~~(4) "Health care provider" means a person, partnership, or corporation, other than a facility or institution, that is licensed, certified, or otherwise authorized by law to provide professional health care service in this State to an individual during that individual's medical care, treatment, or confinement.

(5) "Originating site" means the location of the patient, whether or not accompanied by a health care provider, at the time services are provided by a health care provider through telemedicine, including a health care provider's office, a hospital, or a health care facility, or the patient's home or another

nonmedical environment such as a school-based health center, a university-based health center, or the patient's workplace.

(6) "Store and forward" means an asynchronous transmission of medical information to be reviewed at a later date by a health care provider at a distant site who is trained in the relevant specialty and by which the health care provider at the distant site reviews the medical information without the patient present in real time.

~~(4)~~(7) "Telemedicine" means the delivery of health care services such as diagnosis, consultation, or treatment through the use of live interactive audio and video over a secure connection that complies with the requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191. Telemedicine does not include the use of audio-only telephone, e-mail, or facsimile.

Sec. 2. 18 V.S.A. § 9361 is amended to read:

§ 9361. HEALTH CARE PROVIDERS ~~PROVIDING~~ DELIVERING
HEALTH CARE SERVICES THROUGH TELEMEDICINE OR BY
STORE AND FORWARD SERVICES MEANS

(a) As used in this section, "distant site," "health care provider," "originating site," "store and forward," and "telemedicine" shall have the same meanings as in 8 V.S.A. § 4100k.

(b) Subject to the limitations of the license under which the individual is practicing, a health care provider licensed in this state may prescribe, dispense, or administer drugs or medical supplies, or otherwise provide treatment recommendations to a patient after having performed an appropriate examination of the patient ~~either in person, through telemedicine, or by the use of instrumentation and diagnostic equipment through which images and medical records may be transmitted electronically.~~ Treatment recommendations made via electronic means, including issuing a prescription via electronic means, shall be held to the same standards of appropriate practice as those in traditional provider-patient settings. ~~For purposes of this subchapter, "telemedicine" shall have the same meaning as in 8 V.S.A. § 4100k.~~

(c)(1) A health care provider delivering health care services through telemedicine shall obtain and document a patient's oral or written informed consent prior to delivering services to the patient. The provider shall include the written consent in the patient's medical record or document the patient's oral consent in the patient's medical record.

(2)(A) Informed consent for telemedicine services shall include, in language that patients can easily understand:

(i) an explanation of the differences between telemedicine and in-person delivery of health care services, including:

(I) that the patient may experience a qualitative difference in care based on potential differences in a patient's ability to establish a therapeutic rapport with the provider in-person and through telemedicine; and

(II) that telemedicine provides different opportunities and challenges for provider-patient interaction than in-person consultation, including the potential for differences in the degree and manner of the provider's visual observations of the patient;

(ii) informing the patient of the patient's right to exclude any individual from participating in or observing the patient's consultation with the provider at both the originating site and the distant site;

(iii) informing the patient that the patient may stop telemedicine services at any time and may request a referral for in-person services; and

(iv) assurance that all services the health care provider delivers to the patient through telemedicine will be delivered over a secure connection that complies with the requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

(B) For services delivered through telemedicine on an ongoing basis, the health care provider shall be required to obtain consent only at the first episode of care.

(3) A health care provider delivering telemedicine services through a contract with a third-party vendor shall comply with the provisions of subdivision (2) of this subsection (c) to the extent permissible under the terms of the contract. If the contract requires the health care provider to use the vendor's own informed consent provisions instead of those set forth in subdivision (2) of this subsection (c), the health care provider shall be deemed to be in compliance with the requirements of this subsection (c) if he or she adheres to the terms of the vendor's informed consent policies.

(4) Notwithstanding any provision of this subsection (c) to the contrary, a health care provider shall not be required to obtain a patient's informed consent for the use of telemedicine in the following circumstances:

(A) for the second certification of an emergency examination determining whether an individual is a person in need of treatment pursuant to section 7508 of this title; or

(B) for a psychiatrist's examination to determine whether an individual is in need of inpatient hospitalization pursuant to 13 V.S.A. § 4815(g)(3).

(d) Neither a health care provider nor a patient shall create or cause to be created a recording of a provider's telemedicine consultation with a patient.

~~(b)~~(c) A patient receiving teleophthalmology or teledermatology by store and forward means shall be informed of the right to receive a consultation with the distant site health care provider and shall receive a consultation with the distant site health care provider upon request. If requested, the consultation with the distant site health care provider may occur either at the time of the initial consultation or within a reasonable period of time ~~of~~ following the patient's notification of the results of the initial consultation. Receiving teledermatology or teleophthalmology by store and forward means shall not preclude a patient from receiving real time telemedicine or face-to-face services with the distant site health care provider at a future date. Originating site health care providers involved in the store and forward process shall ~~ensure~~ obtain informed consent from the patient as described in subsection (c) of this section. ~~For purposes of this subchapter, "store and forward" shall have the same meaning as in 8 V.S.A. § 4100k.~~

Sec. 3. REPEAL

33 V.S.A. § 1901i (Medicaid coverage for primary care telemedicine) is repealed.

Sec. 4. EFFECTIVE DATES

(a) Secs. 1 (health insurance coverage) and 3 (repeal) shall take effect on October 1, 2017 and shall apply to Medicaid on that date and to all other health insurance plans on or after October 1, 2017 on the date a health insurer issues, offers, or renews the health insurance plan, but in no event later than October 1, 2018.

(b) Sec. 2 (health care providers providing telemedicine) and this section shall take effect on passage.

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

Third Reading Ordered

H. 50.

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

An act relating to the telecommunications siting law.

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. 219.

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

An act relating to the Vermont spaying and neutering program.

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

Sec. 1. 20 V.S.A. § 3815(a) is amended to read:

(a) The ~~agency of human services~~ Agency of Human Services shall administer a dog, cat, and wolf-hybrid spaying and neutering program providing reduced-cost spaying and neutering services and presurgical immunization for dogs, cats, and wolf-hybrids owned or cared for by ~~low income~~ individuals with low income. The ~~agency~~ Agency shall implement the program through an agreement with a qualified organization ~~consistent with the applicable administrative rules, except that the Agency may implement the program if the Commissioner determines that there is no qualified organization capable of implementing the program based on review of overall program success, financial resources of the organization, viability of the organization, or the organization's prior performance in implementing the program.~~

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. 503.

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

An act relating to bail.

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:

* * *Release Prior to Trial * * *

Sec. 1. 13 V.S.A. § 7551 is amended to read:

§ 7551. APPEARANCE BONDS; GENERALLY

(a) A bond given by a person charged with a criminal offense or by a witness in a criminal prosecution under section 6605 of this title, conditioned for the appearance of the person or witness before the court in cases where the offense is punishable by fine or imprisonment, and in appealed cases, shall be taken to the ~~district or superior court~~ Criminal Division of the Superior Court where the prosecution is pending, and shall remain binding upon parties until discharged by the court or until sentencing. The person or witness shall appear at all required court proceedings.

(b) No bond may be imposed at the initial appearance of a person charged with a misdemeanor if the person was cited for the offense in accordance with Rule 3 of the Vermont Rules of Criminal Procedure. This subsection shall not be construed to restrict the court's ability to impose conditions on an individual reasonably to ensure his or her appearance at future proceedings or reasonably to protect the public in accordance with section 7554 of this title.

Sec. 2. 13 V.S.A. § 7554 is amended to read:

§ 7554. RELEASE PRIOR TO TRIAL

(a) Any person charged with an offense, other than a person held without bail under section 7553 or 7553a of this title, shall at his or her appearance before a judicial officer be ordered released pending trial in accordance with this section.

* * *

(3) A judicial officer may order that a defendant not harass or contact or cause to be harassed or contacted a victim or potential witness. This order shall take effect immediately, regardless of whether the defendant is incarcerated or released.

(4) A judicial officer may order that a defendant not possess firearms or other weapons. This order shall take effect immediately, regardless of whether the defendant is incarcerated or released.

Sec. 3. 28 V.S.A. § 301 is amended to read:

§ 301. SUMMONS OR ARREST OF PROBATIONER

* * *

(2) Arrest or citation of person on probation. Any correctional officer may arrest a probationer without a warrant if, in the judgment of the correctional officer, the probationer has violated a condition or conditions of his or her probation other than a condition that the probationer pay restitution; or may deputize any other law enforcement officer to arrest a probationer without a warrant by giving him or her a written statement setting forth that the probationer has, in the judgment of the correctional officer, violated a condition or conditions of his or her probation other than a condition that the probationer pay restitution. The written statement delivered with the person by the arresting officer to the supervising officer of the correctional facility to which the person is brought for detention shall be sufficient warrant for detaining him or her. In lieu of arrest, a correctional officer may issue a probationer a citation to appear for arraignment. In deciding whether to arrest or issue a citation, an officer shall consider whether issuance of a citation will reasonably ensure the probationer's appearance at future proceedings and reasonably protect the public.

* * *

(4) Detention pending hearing for probationer. Pending arraignment for any charge of violation, the probationer shall ~~continue to~~ be detained at a correctional facility unless issued a citation by a correctional officer. Thereafter, the court may release the probationer pursuant to 13 V.S.A. § 7554. There shall be no right to bail or release, unless the person is on probation for a nonviolent misdemeanor or nonviolent felony ~~and the probation violation did not constitute a new crime~~. As used in this subdivision:

(A) "Nonviolent felony" means a felony offense which is not 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.

(B) "Nonviolent misdemeanor" means a misdemeanor offense which is not 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 or 13 V.S.A. § 1030.

* * * Regulated Drugs * * *

Sec. 4. 18 V.S.A. § 4233a is added to read:

§ 4233a. FENTANYL

(a) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing fentanyl shall be imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling fentanyl shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of four milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 10 years or fined not more than \$250,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing fentanyl in an amount consisting of 20 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl shall be imprisoned not more than 20 years or fined not more than \$1,000,000.00, or both.

(4) In lieu of a charge under this subsection, but in addition to any other penalties provided by law, a person knowingly and unlawfully selling or dispensing any regulated drug containing a detectable amount of fentanyl shall be imprisoned not more than five years or fined not more than \$250,000.00, or both.

(b) Trafficking. A person knowingly and unlawfully possessing fentanyl in an amount consisting of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl with the intent to sell or dispense the fentanyl shall be imprisoned not more than 30 years or fined not more than \$1,000,000.00, or both. There shall be a permissive inference that a person who possesses fentanyl in an amount of 70 milligrams or more of one or more preparations, compounds, mixtures, or substances containing fentanyl intends to sell or dispense the fentanyl. The amount of possessed fentanyl under this subsection to sustain a charge of conspiracy under 13 V.S.A. § 1404 shall be not less than 70 milligrams in the aggregate.

(c) Transportation into the State. In addition to any other penalties provided by law, a person knowingly and unlawfully transporting more than 20 milligrams of fentanyl into Vermont with the intent to sell or dispense the fentanyl shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

Sec. 5. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

* * *

(b) Selling or dispensing.

(1) A person knowingly and unlawfully dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, shall be

imprisoned not more than three years or fined not more than \$75,000.00, or both. A person knowingly and unlawfully selling a depressant, stimulant, or narcotic drug, other than fentanyl, cocaine, or heroin, shall be imprisoned not more than five years or fined not more than \$25,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 100 times a benchmark unlawful dosage or its equivalent as determined by the ~~board of health~~ Board of Health by rule shall be imprisoned not more than 10 years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing a depressant, stimulant, or narcotic drug, other than fentanyl, heroin, or cocaine, consisting of 1,000 times a benchmark unlawful dosage or its equivalent as determined by the ~~board of health~~ Board of Health by rule shall be imprisoned not more than 20 years or fined not more than \$500,000.00, or both.

Sec. 6. 13 V.S.A. § 1404 is amended to read:

§ 1404. CONSPIRACY

(a) A person is guilty of conspiracy if, with the purpose that an offense listed in subsection (c) of this section be committed, that person agrees with one or more persons to commit or cause the commission of that offense, and at least two of the co-conspirators are persons who are neither law enforcement officials acting in official capacity nor persons acting in cooperation with a law enforcement official.

(b) No person shall be convicted of conspiracy unless a substantial overt act in furtherance of the conspiracy is alleged and proved to have been done by the defendant or by a co-conspirator, other than a law enforcement official acting in an official capacity or a person acting in cooperation with a law enforcement official, and subsequent to the defendant's entrance into the conspiracy. Speech alone may not constitute an overt act.

(c) This section applies only to a conspiracy to commit or cause the commission of one or more of the following offenses:

- (1) murder in the first or second degree;
- (2) arson under sections 501-504 and 506 of this title;
- (3) sexual exploitation of children under sections 2822, 2823, and 2824 of this title;
- (4) receiving stolen property under sections 2561-2564 of this title; or
- (5) an offense involving the sale, delivery, manufacture, or cultivation of a regulated drug or an offense under:

-
- (A) 18 V.S.A. § 4230(c), relating to trafficking in marijuana;
- (B) 18 V.S.A. § 4231(c), relating to trafficking in cocaine;
- (C) 18 V.S.A. § 4233(c), relating to trafficking in heroin;
- (D) 18 V.S.A. § 4234(b)(3), relating to unlawful selling or dispensing of a depressant, stimulant, or narcotic drug, other than heroin or cocaine; ~~or~~
- (E) 18 V.S.A. § 4234a(c), relating to trafficking in methamphetamine; or
- (F) 18 V.S.A. § 4233a(c), relating to trafficking in fentanyl.

Sec. 7. 18 V.S.A. § 4234b is amended to read:

§ 4234b. EPHEDRINE AND PSEUDOEPHEDRINE

* * *

(c) Electronic registry system.

(1)(A) Retail establishments shall use an electronic registry system to record the sale of products made pursuant to subsection (b) of this section. The electronic registry system shall have the capacity to block a sale of nonprescription drug products containing ephedrine base, pseudoephedrine base, or phenylpropanolamine base that would result in a purchaser exceeding the lawful daily or monthly amount. The system shall contain an override function that may be used by an agent of a retail establishment who is dispensing the drug product and who has a reasonable fear of imminent bodily harm to his or her person or to another person if the transaction is not completed. The system shall create a record of each use of the override mechanism.

(B) The electronic registry system shall be available free of charge to the State of Vermont, retail establishments, and local law enforcement agencies.

(C) The electronic registry system shall operate in real time to enable communication among in-state users and users of similar systems in neighboring states.

(D) The State shall use the National Precursor Log Exchange (NPLEx) online portal or its equivalent to host Vermont's electronic registry system.

(2)(A) Prior to completing a sale under subsection (b) of this section, a retail establishment shall require the person purchasing the drug product to present a current, valid government-issued identification document. The retail establishment shall record in the electronic registry system:

(i) the name and address of the purchaser;

(ii) the name of the drug product and quantity of ephedrine, pseudoephedrine, and phenylpropanolamine base sold in grams;

(iii) the date and time of purchase;

(iv) the form of identification presented, the issuing government entity, and the corresponding identification number; and

(v) the name of the person selling or furnishing the drug product.

(B)(i) If the retail establishment experiences an electronic or mechanical failure of the electronic registry system and is unable to comply with the electronic recording requirement, the retail establishment shall maintain a written log or an alternative electronic record-keeping mechanism until the retail establishment is able to comply fully with this subsection (c).

(ii) If the region of the State where the retail establishment is located does not have broadband Internet access, the retail establishment shall maintain a written log or an alternative electronic record-keeping mechanism until broadband Internet access becomes accessible in that region. At that time, the retail establishment shall come into compliance with this subsection (c).

(C) A retail establishment shall maintain all records of drug product purchases made pursuant to this subsection (c) for a minimum of two years.

(3) A retail establishment shall display a sign at the register provided by NPLeX or its equivalent to notify purchasers of drug products containing ephedrine, pseudoephedrine, or phenylpropanolamine base that:

(A) the purchase of the drug product or products shall result in the purchaser's identity being listed on a national database; and

(B) the purchaser has the right to request the transaction number for any purchase that was denied pursuant to this subsection (c).

(4) Except as provided in subdivision (5) of this subsection (c), a person or retail establishment that violates this subsection shall:

(A) for a first violation be assessed a civil penalty of not more than \$100.00; and

(B) for a second or subsequent violation be assessed a civil penalty of not more than \$500.00.

(d) This section shall not apply to a manufacturer ~~which~~ that has obtained an exemption from the Attorney General of the United States under Section 711(d) of the federal Combat Methamphetamine Epidemic Act of 2005.

(e) As used in this section:

(1) “Distributor” means a person, other than a manufacturer or wholesaler, who sells, delivers, transfers, or in any manner furnishes a drug product to any person who is not the ultimate user or consumer of the product.

(2) “Knowingly” means having actual knowledge of the relevant facts.

(3) “Manufacturer” means a person who produces, compounds, packages, or in any manner initially prepares a drug product for sale or use.

(4) “Wholesaler” means a person, other than a manufacturer, who sells, transfers, or in any manner furnishes a drug product to any other person for the purpose of being resold.

Sec. 8. USE OF U.S. FOOD AND DRUG ADMINISTRATION-
APPROVED DRUGS CONTAINING CANNABIDIOL

(a) Upon approval by the U.S. Food and Drug Administration (FDA) of one or more prescription drugs containing cannabidiol, the following activities shall be lawful in Vermont:

(1) the clinically appropriate prescription for a patient of an FDA-approved prescription drug containing cannabidiol by a health care provider licensed to prescribe medications in this State and acting within his or her authorized scope of practice;

(2) the dispensing, pursuant to a valid prescription, of an FDA-approved prescription drug containing cannabidiol to a patient or a patient’s authorized representative by a pharmacist or by another health care provider licensed to dispense medications in this State and acting within his or her authorized scope of practice;

(3) the possession and transportation of an FDA-approved prescription drug containing cannabidiol by a patient to whom a valid prescription was issued or by the patient’s authorized representative;

(4) the possession and transportation of an FDA-approved prescription drug containing cannabidiol by a licensed pharmacy or wholesaler in order to facilitate the appropriate dispensing and use of the drug; and

(5) the use of an FDA-approved prescription drug containing cannabidiol by a patient to whom a valid prescription was issued, provided the patient uses the drug only for legitimate medical purposes in conformity with instructions from the prescriber and dispenser.

(b) Upon approval by the U.S. Food and Drug Administration of one or more prescription drugs containing cannabidiol, the Department of Health shall amend its rules to conform to the provisions of subsection (a) of this section.

* * * Impaired Driving * * *

Sec. 9. 23 V.S.A. § 1202 is amended to read:

§ 1202. CONSENT TO TAKING OF TESTS TO DETERMINE BLOOD
ALCOHOL CONTENT OR PRESENCE OF OTHER DRUG

(a)(1) Implied consent. 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) Blood test. If breath testing equipment is not reasonably available or if the officer has reason to believe that the person 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 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 blood. 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. A blood test sought pursuant to this subdivision (2) shall be obtained pursuant to subsection (f) of this section.

(3) 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) 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.

(b) ~~If the person refuses to submit to an evidentiary test it shall not be given, except as provided in subsection (f) of this section, but the~~ A refusal to take a breath test may be introduced as evidence in a criminal proceeding.

* * *

(f) If a blood test is sought from a person pursuant to subdivision (a)(2) of this section, or if a person who has been involved in an accident or collision resulting in serious bodily injury or death to another refuses an evidentiary test, a law enforcement officer may apply for a search warrant pursuant to Rule 41 of the Vermont Rules of Criminal Procedure to obtain a sample of blood for an evidentiary test. If a blood sample is obtained by search warrant, the fact of

the refusal may still be introduced in evidence, in addition to the results of the evidentiary test. Once a law enforcement official begins the application process for a search warrant, the law enforcement official is not obligated to discontinue the process even if the person later agrees to provide an evidentiary breath sample. The limitation created by Rule 41(g) of the Vermont Rules of Criminal Procedure regarding blood specimens shall not apply to search warrants authorized by this section.

* * *

* * * Electronic Monitoring * * *

Sec. 10. ELECTRONIC MONITORING

(a) The Commissioner of Corrections shall establish an active electronic monitoring program with real-time enforcement. The Electronic Monitoring Program shall be administered by the Department of State's Attorneys and Sheriffs and enforced by the Department of Corrections.

(b) The Electronic Monitoring Program described in subsection (a) of this section may be used to monitor, in lieu of incarcerating in a facility, the following populations:

(1) offenders in the custody of the Commissioner who are eligible for the Home Detention Program described in 13 V.S.A. § 7554b; and

(2) offenders in the custody of the Commissioner, including the following target populations:

(A) offenders who are eligible for home confinement furlough, as described in 28 V.S.A. § 808b;

(B) offenders who are past their minimum sentence and are deemed appropriate for the Program by the Commissioner of Corrections; or

(C) offenders who are eligible for reintegration furlough, as described in 28 V.S.A. § 808c.

(c) An offender shall only be eligible for the Electronic Monitoring Program described in subsection (a) of this section if electronic monitoring equipment is fully functional in the geographic area where the offender will be located.

Sec. 11. EFFECTIVE DATES

This section and Secs. 7 (ephedrine and pseudoephedrine), 9 (impaired driving), and 10 (electronic monitoring) shall take effect on passage. The remaining sections shall take effect on July 1, 2017.

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

An act relating to criminal justice.

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. 12.

House proposal of amendment to Senate bill entitled:

An act relating to increasing the maximum prison sentence for first, second, and subsequent offenses of aggravated animal cruelty.

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. 13 V.S.A. chapter 8 is amended to read:

CHAPTER 8. HUMANE AND PROPER TREATMENT OF ANIMALS

Subchapter 1. Cruelty to Animals

§ 351. DEFINITIONS

As used in this chapter:

(1) "Animal" means all living sentient creatures, not human beings.

* * *

(19) "Sexual conduct" means:

(A) any act between a person and animal that involves contact between the mouth, sex organ, or anus of a person and the mouth, sex organ, or anus of an animal; or

(B) without a bona fide veterinary or animal husbandry purpose, the insertion, however slight, of any part of a person's body or of any instrument, apparatus, or other object into the vaginal or anal opening of an animal.

* * *

§ 352. CRUELTY TO ANIMALS

A person commits the crime of cruelty to animals if the person:

(1) intentionally kills or attempts to kill any animal belonging to another person without first obtaining legal authority or consent of the owner, or engages in a reckless course of conduct that results in the death of an animal;

* * *

(10) uses a live animal as bait or lure in a race, game, or contest, or in training animals in a manner inconsistent with 10 V.S.A. Part 4 of Title 10 or the rules adopted thereunder;

(11)(A) engages in sexual conduct with an animal;

(B) possesses, sells, transfers, purchases, or otherwise obtains an animal with the intent that it be used for sexual conduct;

(C) organizes, promotes, conducts, aids, abets, or participates in as an observer an act involving any sexual conduct with an animal;

(D) causes, aids, or abets another person to engage in sexual conduct with an animal;

(E) permits sexual conduct with an animal to be conducted on premises under his or her charge or control; or

(F) advertises, offers, or accepts the offer of an animal with the intent that it be subject to sexual conduct in this State.

§ 352a. AGGRAVATED CRUELTY TO ANIMALS

A person commits the crime of aggravated cruelty to animals if the person:

(1) kills an animal by intentionally causing the animal undue pain or suffering;

(2) intentionally, maliciously, and without just cause tortures, mutilates, or cruelly beats an animal; or

(3) intentionally injures or kills an animal that is in the performance of official duties while under the supervision of a law enforcement officer.

* * *

§ 353. DEGREE OF OFFENSE; SENTENCING UPON CONVICTION

(a) Penalties.

(1) Except as provided in subdivision (3) ~~or~~ (4), or (5) of this subsection, cruelty to animals under section 352 of this title shall be punishable by a sentence of imprisonment of not more than one year, or a fine of not more than \$2,000.00, or both. Second and subsequent convictions shall be punishable by a sentence of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.

(2) Aggravated cruelty under section 352a of this title shall be punishable by a sentence of imprisonment of not more than three years or a fine of not more than \$5,000.00, or both. Second and subsequent offenses shall be punishable by a sentence of imprisonment of not more than five years or a fine of not more than \$7,500.00, or both.

* * *

(5) A person who violates subdivision 352(1) of this title by intentionally killing or attempting to kill an animal belonging to another or subdivision 352(2) of this title by torturing, administering poison to, or cruelly beating or mutilating an animal shall be imprisoned not more than two years or fined not more than \$5,000.00, or both.

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

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 Not Concurred In; Committee of Conference Requested

S. 75.

House proposal of amendment to Senate bill entitled:

An act relating to aquatic nuisance species control.

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. 10 V.S.A. § 1452 is amended to read:

§ 1452. DEFINITIONS

As used in this chapter:

(1) "Agency" means the ~~agency of natural resources~~ Agency of Natural Resources.

(2) "Aquatic nuisance" means undesirable or excessive substances or populations that interfere with the recreational potential or aquatic habitat of a body of water, including rooted aquatic plants and animal and algal populations. Aquatic nuisances include ~~rooted aquatic plants and animal and~~

algal populations zebra mussels (Dreissena polymorpha), quagga mussels (Dreissena bugensis), Asian clam (Corbicula fluminea), fishhook waterflea (Cercopagis pengoi), rusty crayfish (Orconectes rusticus), spiny waterflea (Bythotrephes longimanus), or other species identified by the Secretary by rule.

(3) “Aquatic plant” means a plant that naturally grows in water, saturated soils, or seasonally saturated soils, including algae and submerged, floating-leafed, floating, or emergent plants.

(4) “Biological controls” ~~mean~~ means multi-cellular organisms.

(5) ~~“Board” means the water resources panel of the natural resources board.~~ [Repealed.]

* * *

(9) “Secretary” means the ~~secretary of natural resources~~ Secretary of Natural Resources.

(10) “Water resources” means the waters and the values inherent or potential in waters and their uses.

(11) “Waters” means all rivers, streams, creeks, brooks, reservoirs, ponds, lakes, and springs and all bodies of surface waters, artificial or natural, ~~which~~ that are contained within, flow through, or border upon the ~~state~~ State or any portion of it.

(12) “Baitbox” means a receptacle, not exceeding 25 cubic feet in volume, used for holding or keeping baitfish alive for personal use.

(13) “Live well” means a well for keeping fish alive in a vessel by allowing water to circulate through the well.

(14) “Ballast tank” means any tank or hold on a vessel used for carrying ballast water, whether or not the tank or hold was designed for that purpose.

(15) “Bilge area” means the lowest point in the vessel where water can collect when the vessel is in its static floating position.

(16) “Decontaminate” means a process used to kill, destroy, or remove aquatic nuisance species and other organic material that may be present in or on a vessel, motor vehicle transporting the vessel, trailer, or other equipment. Decontamination may include washing a vessel, motor vehicle transporting the vessel, trailer, or other equipment with water at a sufficiently high temperature to kill or remove aquatic nuisance species.

(17) “Lake association” means a lake protection organization registered with the Secretary of Natural Resources on a form provided by the Secretary.

(18) "Marina" means a property, other than a public access or landing area regulated under section 4145 of this title, on the shoreline of a water of the State that contains a dock, basin, or ramp that, at no cost or for remuneration, provides to the public secure moorings or vessel access to the water.

(19) "Motor vehicle" means any vehicle propelled or drawn by power other than muscular power, including a snowmobile, motorcycle, all-terrain vehicle, farm tractor, or tracked vehicle.

(20) "Personal watercraft" shall have the same meaning as set forth in 23 V.S.A. § 3302.

(21) "Transport" means to move motor vehicles, vessels, personal watercraft, seaplanes, trailers, and other equipment over land, but does not include movement within the immediate area required for loading and preparing vehicles, vessels, personal watercraft, seaplanes, trailers, and other equipment prior to movement into or away from a body of water.

(22) "Vessel" means every description of watercraft used or capable of being used as a means of transportation on water, including personal watercraft.

Sec. 2. 10 V.S.A. § 1454 is amended to read:

§ 1454. TRANSPORT OF AQUATIC PLANTS AND AQUATIC
NUISANCE SPECIES

(a) ~~No~~ Transport of aquatic nuisance species; prohibition. A person shall not transport an aquatic plant ~~or~~, aquatic plant part, zebra mussels (*Dreissena polymorpha*), quagga mussels (*Dreissena bugensis*), or other aquatic nuisance species identified by the Secretary by rule to or from any Vermont waters on the outside of a vehicle, boat, personal watercraft, trailer, or other equipment water. This section shall not restrict:

(1) proper harvesting or other control activities undertaken for the purpose of eliminating or controlling the growth or propagation of aquatic plants, zebra mussels, quagga mussels, or other aquatic nuisance species; or

(2) proper collection of water samples for the purpose of water quality monitoring.

(b) Inspection of vessel entering or leaving water. A person transporting a vessel to or from a water shall, prior to launching the vessel and upon leaving a water, inspect the vessel, the motor vehicle transporting the vessel, the trailer, and other equipment, and shall remove and properly dispose of any aquatic plants, aquatic plant parts, and aquatic nuisance species.

(c) Aquatic nuisance species inspection station. It shall be a violation of this section for a person transporting a vessel to or from a water to not have the

vessel, the motor vehicle transporting the vessel, the trailer, and other equipment inspected and, if determined necessary, decontaminated at an approved aquatic nuisance species inspection station prior to launching the vessel and upon leaving a water if:

(1) an aquatic nuisance species inspection station is maintained at the area where the vessel is entering or leaving the water;

(2) the aquatic nuisance species inspection station is open; and

(3) an individual operating the aquatic nuisance species inspection station identifies the vessel for inspection or decontamination.

(d) Draining of vessel; transport.

(1)(A) When leaving a water of the State and prior to transport away from the area where the vessel left the water, a person operating a vessel shall drain the vessel, trailer, and other equipment of water, including water in live wells, ballast tanks, and bilge areas. A person is not required to drain:

(i) baitboxes when authorized under 10 App. V.S.A. § 122(5) to transport bait in a baitbox away from a water; or

(ii) vehicles and trailers specifically designed and used for water hauling.

(B) A person operating a vessel shall drain the vessel, trailer, and other equipment of water in a manner to avoid a discharge to the water of the State. This subdivision (d)(1) does not authorize a person to discharge waste, as defined in section 1251 of this title, to waters of the State. A person shall dispose of waste in the manner required by law.

(2) When a person transports a vessel, the person shall remove or open the drain plugs, bailers, valves, and other devices that are used to control the draining of water from ballast tanks, bilge areas, and live wells of the vessel, trailer, and other equipment, except for vehicles and trailers specifically designed and used for water hauling and emergency response vehicles and equipment.

(e) Presumption of compliance; Aquatic nuisance species inspection station. A person transporting a vessel to or from a water will be presumed to have not violated subsections (a), (b), and (d) of this section if, upon launching a vessel and upon leaving a water, the vessel is decontaminated at an approved aquatic nuisance inspection station. If staff of an approved aquatic nuisance inspection station observe a violation of subsection (a), (b), or (d) of this section, staff shall notify the person transporting the vessel.

(f) Exceptions to transport prohibition. The Secretary may ~~grant~~ exceptions to persons to allow the transport of aquatic plants, zebra mussels,

~~quagga mussels, aquatic plant parts, or other aquatic nuisance species for scientific or purposes, educational purposes, or other purposes specifically authorized by the Secretary. When granting exceptions allowing the transport of aquatic plants, aquatic plant parts, or aquatic nuisance species under this subsection,~~ the Secretary shall take into consideration both the value of the scientific or educational purpose and the risk to Vermont surface waters posed by the transport and ultimate use of the specimens. A letter from the Secretary authorizing the transport must accompany the specimens during transport.

~~(e)(g) Signage; access areas and marinas. Signage shall be posted at all public access and landing areas regulated under section 4145 of this title and at all marinas regarding the requirements of subsections (a)–(d) of this section relating to aquatic nuisance transport and inspection and decontamination of vessels, motor vehicles transporting vessels, trailers, or other equipment. The Secretary shall provide marinas with the signs required under this section.~~

~~(h) Violations. A Pursuant to 4 V.S.A. § 1102, a violation of this section may be brought in the Judicial Bureau by any law enforcement officer, as that term is defined in 23 V.S.A. § 3302(2), or, pursuant to section 8007 or 8008 of this title, a violation of this section may be brought in the Environmental Division of the Superior Court. When a violation is brought by an enforcement officer other than an environmental enforcement officer employed by the Agency of Natural Resources, the enforcement officer shall submit to the Secretary a copy of the citation for purposes of compliance with the public participation requirements of section 8020 of this title. If a violation of this section is adjudicated in the Judicial Bureau or the Environmental Division, the violation shall not be addressed or adjudicated a second time in the other court.~~

Sec. 3. 10 V.S.A. § 1455(a) is amended to read:

(a) ~~No~~ A person ~~may~~ shall not use pesticides, chemicals other than pesticides, biological controls, bottom barriers, structural barriers, structural controls, or powered mechanical devices in waters of the State to control nuisance aquatic plants, insects, or other aquatic nuisances, including lamprey, unless that person has been issued a permit by the ~~secretary~~ Secretary.

Sec. 4. 10 V.S.A. § 1461 is added to read:

§ 1461. AQUATIC NUISANCE INSPECTION STATIONS; TRAINING PROGRAM

(a) The Secretary of Natural Resources shall establish a training program regarding how to conduct inspection of vessels, motor vehicles, trailers, and other equipment for the presence of aquatic plants, aquatic plant parts, and aquatic nuisance species. The training program shall include online training, recorded material, training manuals, or other material that allows a person to complete training remotely.

(b) The Secretary of Natural Resources shall establish a training program regarding how to decontaminate vessels, motor vehicles, trailers, and other equipment to prevent the spread of aquatic plants, aquatic plant parts, and aquatic nuisance species. The training program shall:

(1) require a person operating aquatic nuisance decontamination equipment to complete in-person training conducted by the Secretary or an entity approved by the Secretary; and

(2) instruct participants regarding how to address noncompliance with the requirements of section 1454 of this title, including how to report a violation to law enforcement, if a violation needs to be reported, and how operators of the inspection station do not have law enforcement authority to mandate compliance with the requirements of section 1454 of this title.

(c) In order to establish an aquatic nuisance species inspection station for the purposes of the vessel inspection and decontamination requirements of subsection 1454(c) of this title, a lake association, municipality, or the Commissioner of Environmental Conservation shall apply to the Secretary for approval. As a condition of approval, a representative of a lake association or municipality shall complete the training programs established under subsections (a) and (b) of this section. A lake association or municipality seeking to operate an aquatic nuisance species inspection station shall designate a representative to complete the training programs established under subsections (a) and (b) of this section.

(d) A lake association or municipality approved to operate an aquatic nuisance species inspection station under subsection (b) of this section shall provide persons who will operate the aquatic nuisance species inspection station with training materials furnished by the Secretary regarding how to:

(1) conduct the inspection of vessels, motor vehicles, trailers, and other equipment for the presence of aquatic plants, aquatic plant parts, and aquatic nuisance species; and

(2) complete the in-person training required under subsection (b) of this section in order to operate decontamination equipment.

(e) The Secretary may adopt rules under section 1460 of this title to implement the training requirements of this section, including an annual schedule of available training.

Sec. 5. 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. § 1454(a)–(d) relating to the transport of aquatic plants and aquatic nuisance species.

Sec. 6. 23 V.S.A. § 3317(b) is amended to read:

(b) A person who violates a requirement under 10 V.S.A. § 1454 shall be subject to enforcement under 10 V.S.A. ~~chapter 201~~ § 8007 or 8008 or a fine under this chapter, provided that the person shall be assessed a penalty or fine of not more than \$1,000.00 for each violation. A person who violates a rule adopted under 10 V.S.A. § 1424 shall be subject to enforcement under 10 V.S.A. chapter 201, provided that the person shall be assessed a penalty of not more than \$300.00 for each violation. A person who violates any of the following sections of this title shall be subject to a penalty of not more than \$300.00 for each violation:

§ 3306(e) marine toilet

§ 3312a operation of personal watercraft

Sec. 7. USE OF BOTTOM BARRIERS WITHOUT PERMIT

The Secretary of Natural Resources shall not require an aquatic nuisance control permit under 10 V.S.A. § 1455 for the use of up to 15 bottom barriers on an inland lake to control nonnative aquatic nuisance species, provided that:

(1) the bottom barriers are managed and controlled by a lake association;

(2) each bottom barrier shall be of no greater size than 14 feet by 14 feet;

(3) the bottom barriers are not installed in an area where they:

(A) create a hazard to public health; or

(B) unreasonably impede boating or navigation;

(4) the lake association notifies the Secretary of the use of the barriers three days prior to placement of the barriers in a water; and

(5) the Secretary may require the removal of the bottom barriers upon a determination that the barriers pose a threat to a threatened or endangered species.

Sec. 8. REPEAL; BOTTOM BARRIERS

Sec. 7 of this act (bottom barriers for aquatic nuisance control) shall be repealed on March 1, 2018.

Sec. 9. AQUATIC NUISANCE CONTROL GENERAL PERMIT

On or before February 1, 2018, the Secretary of Natural Resources shall issue a general permit for aquatic nuisance control activities. The general permit shall allow for nonchemical aquatic nuisance control activities and any other management or control measures that the Secretary considers appropriate and for which the Secretary has general permit authority under 10 V.S.A. chapter 50. The general permit shall authorize rapid response activities that an individual or lake association may take to control aquatic nuisance species. The provisions of 10 V.S.A. § 1456(a) and (c)–(f) related to the rapid response permits for aquatic nuisance control shall apply to the rapid response activities authorized in the permit required under this section.

Sec. 10. ANR PUBLIC OUTREACH REGARDING AQUATIC NUISANCE SPECIES TRANSPORT AND INSPECTION REQUIREMENTS

Beginning on July 1, 2017, the Secretary of Natural Resources shall provide education and outreach to the public regarding the transport and inspection requirements in 10 V.S.A chapter 50 for the reduction of the spread of aquatic nuisance species. The education and outreach shall include a notification in the Department of Fish and Wildlife guides to hunting and fishing in Vermont regarding the aquatic nuisance transport prohibition and the requirements to inspect vessels for aquatic nuisance species when entering or leaving a water.

Sec. 11. ANR REPORT; AQUATIC NUISANCE TRANSPORT; LAKE CHAMPLAIN

(a) On or before November 15, 2017, the Secretary of Natural Resources shall submit to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish and Wildlife a report regarding how to control the transport of aquatic nuisances to and from Lake Champlain. The report shall include:

(1) an inventory of the boat decontamination facilities or other aquatic nuisance control measures currently employed at boat launches, marinas, or other areas on Lake Champlain;

(2) a summary of whether the current measures to control aquatic nuisance transport to and from Lake Champlain are adequate;

(3) a proposal for siting boat decontamination facilities or other comparable aquatic nuisance control measures at boat launches, marinas, or other areas on Lake Champlain, including where proposed facilities or other aquatic nuisance control measures would be located;

(4) a summary of how proposed boat decontamination facilities or comparable aquatic nuisance control measures would be staffed, including whether staff would possess sufficient authority to inspect a vessel entering or

leaving Lake Champlain in order to require boat decontamination or another aquatic nuisance control measure;

(5) an estimate of the cost to implement proposed boat decontamination facilities or other aquatic nuisance control measures on Lake Champlain; and

(6) a recommendation of whether and how vessels leaving Lake Champlain should be quarantined from entering other waters of the State for a defined time period or until a specific condition is satisfied; and

(7) draft legislation that the Secretary determines is necessary to implement any boat decontamination facility or other aquatic nuisance control measure proposed in the report.

(b) As used in this section, "aquatic nuisance" and "vessel" shall have the same meanings as set forth in 10 V.S.A. § 1452.

Sec. 12. 10 V.S.A. § 1264b is amended to read:

§ 1264b. ~~STORMWATER-IMPAIRED WATERS RESTORATION~~
STORMWATER FUND

(a) A fund to be known as the ~~stormwater impaired waters restoration fund~~ Stormwater Fund is created in the ~~state treasury~~ State Treasury to be expended by the ~~secretary of natural resources~~ Secretary of Natural Resources. The ~~fund~~ Fund shall be administered by the ~~secretary of natural resources through the facilities engineering division~~ Secretary of Natural Resources. The ~~fund~~ Fund shall consist of:

(1) ~~Stormwater~~ stormwater impact fees paid by permittees ~~in order~~ to meet applicable permitting standards for the discharges of regulated stormwater runoff to the stormwater-impaired waters of the ~~state~~ State and Lake Champlain and waters that contribute to the impairment of Lake Champlain;

(2) ~~Such~~ such sums as may be appropriated or transferred to the ~~fund~~ Fund by the ~~general assembly, the state emergency board, or the joint fiscal committee~~ General Assembly, the State Emergency Board, or the Joint Fiscal Committee during such times when the ~~general assembly~~ General Assembly is not in session;

(3) ~~Principal~~ principal and interest received from the repayment of loans made from the ~~fund~~ Fund;

(4) ~~Private~~ private gifts, bequests, and donations made to the ~~state~~ State for any of the purposes for which the ~~fund~~ Fund was established; and

(5) ~~Other~~ other funds from any public or private source intended for use for any of the purposes for which the ~~fund~~ Fund has been established.

(b) The ~~fund~~ Fund shall maintain separate accounts for each stormwater-impaired water and each phosphorus-impaired lake segment of Lake Champlain and the monies in each account may only be used to fund offsets in the designated water. Offsets shall be designed to reduce the sediment load, phosphorus load, or hydrologic impact of regulated stormwater runoff in ~~stormwater-impaired waters~~ the receiving water. All balances in the ~~fund~~ Fund at the end of any fiscal year shall be carried forward and remain a part of the ~~fund~~ Fund. Interest earned by the ~~fund~~ Fund shall be deposited into the ~~fund~~ Fund.

(c) The ~~facilities-engineering-division~~ Secretary may authorize disbursements from the ~~fund~~ Fund to offsets that meet the requirements of ~~the rule adopted pursuant to subsection 1264a(e)~~ 1264(f) of this title. The public funds used to capitalize the ~~stormwater-impaired waters restoration fund~~ Fund shall:

(1) ~~Be~~ be disbursed only to an offset that is owned or operated by a municipality or a governmental subdivision, agency, or instrumentality; and

(2) ~~Be~~ be disbursed only to reimburse a municipality or a governmental subdivision, agency, or instrumentality for those funds provided by the municipality or governmental subdivision, agency, or instrumentality to complete or construct an offset.

(d) A municipality or governmental subdivision, agency, or instrumentality may, on an annual basis, reserve capacity in an offset that the municipality or governmental subdivision, agency, or instrumentality operates or owns and that meets the requirements of ~~subsection 1264a(e)~~ the rule adopted pursuant to subsection 1264(f) of this title. A municipality or governmental subdivision, agency, or instrumentality reserving offset capacity shall inform the ~~secretary of natural resources~~ Secretary of the offset capacity for which the offset will not receive disbursements from the ~~stormwater-impaired waters restoration fund~~ Fund for nonmunicipal discharges. ~~A municipality that reserves capacity as an offset may receive disbursements from the fund to mitigate the uncontrolled sediment load or hydrologic impact in discharges for which the municipality is issued a permit for the discharge of regulated stormwater runoff under subdivision 1264a(b)(1) of this title.~~

(e) Eligible persons may apply for a grant from the ~~fund~~ Fund to design and implement an offset. The ~~fund~~ Fund may be used to match other public and private sources of funding for such projects. ~~The funds may also be used to match federal funds otherwise available to capitalize the fund created by 24 V.S.A. § 4753(a)(8).~~

(f) A discharger that pays a stormwater impact fee to the ~~stormwater-impaired waters restoration fund under section 1264a of this title~~ Fund in order

to receive a permit for the discharge of regulated stormwater runoff may receive reimbursement of that fee if the discharger fails to discharge under the stormwater discharge permit, if the discharger notifies the ~~secretary~~ Secretary of the abandonment of the discharge permit, and if the ~~secretary~~ Secretary determines that unobligated monies for reimbursement remain in the ~~stormwater-impaired restoration fund~~ Fund.

Sec. 13. REPEAL; INTERIM STORMWATER PERMITTING

10 V.S.A. § 1264a(e) (interim stormwater permitting authority) is repealed.

Sec. 14. EFFECTIVE DATES

(a) This section and Secs. 1–11 (aquatic nuisance species control) shall take effect on passage.

(b) Secs. 12 and 13 (stormwater management) shall take effect on July 1, 2017.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning.

WEDNESDAY, APRIL 26, 2017

The Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Messages from the House No. 51 and 52

Messages were received from the House of Representatives by Ms. Rebecca Silbernagel, its Second Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on the April 25, 2017, he approved and signed bills originating in the House of the following titles:

H. 14. An act relating to automated external defibrillators.

H. 201. An act relating to length of stay at designated shelters.

H. 379. An act relating to providing an extension for the repeal of the Search and Rescue Council.

The House has passed House bills of the following titles:

H. 526. An act relating to regulating notaries public.

H. 536. An act relating to approval of amendments to the charter of the Town of Colchester.

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

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

H. 265. An act relating to the State Long-Term Care Ombudsman.

And has severally concurred therein.

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

S. 20. An act relating to permanent licenses for persons 66 years of age or older.

S. 72. An act relating to requiring telemarketers to provide accurate caller identification information.

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

Message from the House No. 53

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 333. An act relating to identification of gender-free restrooms in public buildings and places of public accommodation.

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. 127. An act relating to miscellaneous changes to laws related to vehicles and vessels.

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. 25. Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend conservation easements related to the former Hancock Lands and adjacent Averill Inholdings in Essex County and to sell the Bertha Tract in Mendon and the Burch Tract in Killington to the Trust for Public Land.

And has adopted 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 proposals of amendment to the following House bills:

H. 3. An act relating to burial depth in cemeteries.

H. 136. An act relating to accommodations for pregnant employees.

H. 462. An act relating to social media privacy for employees.

H. 502. An act relating to modernizing Vermont's parentage laws.

H. 507. An act relating to Next Generation Medicaid ACO pilot project reporting requirements.

And has severally concurred therein.

Bill Referred to Committee on Finance

H. 312.

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 retirement and pensions.

Message from the Governor Appointment Referred

A message was received from the Governor, by Brittney L. Wilson, Secretary of Civil and Military Affairs, submitting the following appointment, which was referred to committee as indicated:

Quinn, John of Northfield - Secretary of the Agency of Digital Services - from April 24, 2017, to February 28, 2019.

To the Committee on Government Operations.

Bills Referred

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

H. 333.

An act relating to identification of gender-free restrooms in public buildings and places of public accommodation.

To the Committee on Rules.

H. 526.

An act relating to regulating notaries public.

To the Committee on Rules.

H. 536.

An act relating to approval of amendments to the charter of the Town of Colchester.

To the Committee on Rules.

Senate Resolution Placed on Calendar**S.R. 9.**

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

By All Members of the Senate,

S.R. 9. Senate resolution relating to the appointment of Robin Lunge to the Green Mountain Care Board.

Whereas, Dr. Allan Ramsay's term as a member of the Green Mountain Care Board expired on September 30, 2016, and

Whereas, on or about November 16, when the General Assembly was not in session, Governor Peter Shumlin appointed Robin Lunge to a six-year term as a member of the Green Mountain Care Board to begin on November 28, 2016, and

Whereas, for reasons unknown, the customary paperwork for this gubernatorial appointment was not received by the Office of the Secretary of the Senate, *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont deems the interim appointment of Robin Lunge to a six-year term as a member of the Green Mountain Care Board to have been submitted to the Senate as required by Chapter II, § 33 of the Vermont Constitution, *and be it further*

Resolved: That the Senate of the State of Vermont consents to the appointment of Robin Lunge to a six-year term as a member of the Green Mountain Care Board.

Thereupon, in the discretion of the President, under Rule 51, the resolution was placed on the Calendar for action the next legislative day.

Recess

The Chair declared a recess until the fall of the gavel.

Called to Order

The Senate was called to order by the President.

Proposals of Amendment; Bill Amended; Consideration Interrupted by Adjournment

H. 515.

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

An act relating to Executive Branch and Judiciary fees.

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

First: Before Sec. 1, by adding a reader assistance to read as follows:

* * * Executive Branch and Judiciary Fees * * *

Second: In Sec. 5, by striking out Sec. 5 in its entirety and inserting in lieu thereof three new sections and their reader assistances to read as follows:

* * * Food and Lodging Establishments * * *

Sec. 5. 18 V.S.A. chapter 85 is amended to read:

CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

Subchapter 1. Food and Lodging Establishments

§ 4301. ~~FOOD ESTABLISHMENTS;~~ DEFINITIONS

(a) As used in this subchapter:

(1) ~~“Food” shall include all articles used for food, drink, confectionery, or condiment, by man, whether simple, mixed, or compound, and all substances and ingredients used in the preparation thereof.~~ “Bakery” means all buildings, rooms, basements, cellars, lofts, or other premises or part thereof, used, occupied, or maintained for the purpose of producing for sale bread, cakes, pies, or other food products made either wholly or partially with flour.

(2) “Children’s camp” means any residential camp for children that:

(A) offers a combination of programs and facilities established for the primary purpose of providing an experience to children;

(B) is operated for five or more consecutive days during one or more seasons of the year; and

(C) provides 24-hours-a-day supervision of children.

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

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

(5) "Establishment" shall include all buildings, rooms, basements, cellars, lofts, or other premises or part thereof, used, occupied, or maintained for the purpose of manufacturing, preparing, packing, canning, bottling, keeping, storing, handling, serving, or distributing in any manner, food for sale means food manufacturing establishments, food service establishments, lodging establishments, children's camps, seafood vending facilities, and shellfish reshippers and repackers.

(6) "Food" means articles of food, drink, confectionery, or condiment for human consumption, whether simple, mixed, or compound, and all substances and ingredients used in the preparation thereof.

(7) "Food manufacturing establishment" or "food processor" means all buildings, rooms, basements, cellars, lofts, or other premises or part thereof, used, occupied, or maintained for the purpose of manufacturing, preparing, packing, canning, bottling, keeping, storing, handling, serving, or distributing food for sale. A food manufacturing establishment shall include food processors, bakeries, distributors, and warehouses. A food manufacturing establishment shall not include a place where only maple syrup or maple products, as defined in 6 V.S.A. § 481, are prepared for human consumption.

(8) "Food service establishment" means entities that prepare, serve, and sell food to the public, including restaurants, temporary food vendors, caterers, mobile food units, and limited operations as defined in rule.

(9) "Lodging establishment" means a place where overnight accommodations are regularly provided to the transient, traveling, or vacationing public, including hotels, motels, inns, and bed and breakfasts. "Lodging establishment" shall not include short-term rentals.

(10) "Salvage food" means any food product from which the label on the packaging has been lost or destroyed or which has been subjected to possible damage as the result of an accident, fire, flood, or other cause that prevents the product from meeting the specifications of the manufacturer or the packer, but is otherwise suitable for human consumption.

(11) "Salvage food facility" means any food vendor for which salvage food comprises 50 percent or more of gross sales.

(12) "Seafood vending facility" means a store, motor vehicle, retail stand, or similar place from which a person sells seafood for human consumption.

(13) “Shellfish reshipper and repacker” means an establishment engaging in interstate commerce of molluscan shellfish.

(14) “Short-term rental” means a furnished home, condominium, or other dwelling rented to the transient, traveling, or vacationing public for a period of fewer than 30 consecutive days and for more than 14 days per calendar year.

(b) Nothing in this ~~subchapter~~ chapter shall be construed to modify or affect laws or ~~regulations~~ rules of the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets.

§ 4302. GENERAL REQUIREMENTS

(a) A person shall not manufacture, prepare, pack, can, bottle, keep, store, handle, serve, or distribute in any manner food for the purpose of sale, in an unclean, unsanitary, or unhealthful establishment or under unclean, unsanitary, or unhealthful conditions.

(b) A person shall not engage in the business of conducting a lodging establishment or children’s camp under unclean, unsanitary, or unhealthful conditions.

§ 4303. ~~SPECIAL PROVISIONS~~ RULEMAKING

~~Subject to the provisions of this subchapter, The Commissioner shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish minimum standards for the safe and sanitary operation of food or lodging establishments or children’s camps or any combination thereof and their administration and enforcement. The rules shall require that an establishment shall be constructed, maintained, and operated with strict regard for the health of the employees and for the purity and wholesomeness of the food therein produced, kept, stored, handled, served, or distributed, so far as may be reasonable and necessary in the public interest and consistent with the character of the establishment, the public~~ pursuant to the following general requirements:

(1) The entire establishment and its immediate appertaining premises, including the fixtures and furnishings, the machinery, apparatus, implements, utensils, receptacles, vehicles, and other devices used in the production, keeping, storing, handling, serving, or distributing of the food, or the materials used in the food, shall be constructed, maintained, and operated in a clean, sanitary, and healthful manner;.

(2) The food and the materials used in the food shall be protected from any foreign or injurious contamination ~~which~~ that may render them unfit for human consumption;.

(3) The clothing, habits, and conduct of the employees shall be conducive to and promote cleanliness, sanitation, and healthfulness;.

(4) There shall be proper, suitable, and adequate toilets and lavatories, constructed, maintained, and operated in a clean, sanitary, and healthful manner;.

(5) There shall be proper, suitable, and adequate ~~light~~ water supply, heating, lighting, ventilation, drainage, sewage disposal, and plumbing.

(6) There shall be proper operation and maintenance of pools, recreation water facilities, spas, and related facilities within lodging establishments.

(7) The Commissioner may adopt any other minimum conditions deemed necessary for the operation and maintenance of a food or lodging establishment in a safe and sanitary manner.

§ 4304. EMPLOYEES

(a) An employer shall not ~~require, permit, or suffer any~~ allow a person affected with any contagious, infectious, or other disease or physical ailment ~~which that~~ such may render ~~such~~ employment detrimental to the public health to work in ~~such an~~ establishment, and a person so affected shall not work in ~~any such an~~ establishment subject to the provisions of this ~~subchapter~~ chapter.

(b) The Commissioner may require a person employed in an establishment subject to the provisions of this chapter to undergo medical testing or an examination necessary for the purpose of determining whether the person is affected by a contagious, infectious, or other disease or physical ailment that may render his or her employment detrimental to public health. The Commissioner may prohibit a person from working in an establishment pursuant to an emergency health order described in section 127 of this title if the person refuses to submit to medical testing or an examination.

§ 4305. ~~POWERS AND DUTIES OF STATE BOARD OF HEALTH~~

~~The board may require a person proposing to work or working in an establishment subject to the provisions of this subchapter, to undergo a physical examination for the purpose of ascertaining whether such person is affected with any contagious, infectious, or other disease or physical ailment, which may render his or her employment detrimental to the public health. The examination shall be made at the time and pursuant to conditions which shall be prescribed by the board. A person who refuses to submit to such examination shall not work or be required, permitted, or suffered to work in any such establishment. [Repealed.]~~

§ 4306. INSPECTION

(a) It shall be the duty of the ~~board~~ Commissioner to enforce the provisions of this ~~subchapter~~ chapter and of 6 V.S.A. § 3312(d), and ~~if he or she~~ shall be permitted to inspect through ~~its~~ his or her duly authorized officers, inspectors, agents, or assistants, at all reasonable times, an establishment, an establishment's records, and a salvage food facility subject to the provisions of this ~~subchapter~~ chapter.

(b) Whenever an inspection demonstrates that the establishment or salvage food facility is not operated in accordance with the provision of this chapter, the officer, inspector, agent, or assistant shall notify the licensee of the conditions found and direct necessary changes.

§ 4307. HEARING; ORDERS

When ~~it appears upon such~~ an inspection demonstrates that any establishment is being maintained or operated in violation of the provisions of this ~~subchapter~~ chapter or any related rules, the ~~board~~ Commissioner shall cause provide written notice ~~thereof~~, together with an order commanding ~~an~~ both abatement of ~~such~~ the violation and a compliance with this ~~subchapter~~ chapter within a reasonable period of time to be fixed in the order, ~~to be served by a proper officer upon the person violating such provisions.~~ Under ~~such~~ any related rules and regulations as ~~may be prescribed~~ adopted by the ~~board~~ Commissioner, a person upon whom ~~such~~ the notice and order are served shall be given an opportunity to be heard and to show cause as to why ~~such~~ the order should be vacated or amended. When, upon ~~such~~ a hearing, it appears that the provisions of this ~~subchapter~~ chapter have not been violated, the ~~board~~ Commissioner shall immediately vacate ~~such~~ the order, but without prejudice. When, however, it appears that ~~such~~ the provisions have been violated and ~~such~~ the person fails to comply with an order issued by the ~~board~~ Commissioner under the provisions of this section, the ~~board~~ Commissioner shall, ~~forthwith, certify the facts to the proper prosecuting officer~~ revoke, modify, or suspend the person's license or enforce a civil penalty.

§ 4308. REGULATIONS

~~The board shall make uniform and necessary rules and regulations for carrying out the provisions of this subchapter. [Repealed.]~~

§ 4309. PENALTY

A person who violates a provision of this ~~subchapter~~ chapter or 6 V.S.A. § 3312(d), ~~for which no other penalty is provided, shall be fined not more than \$300.00 for the first offense and, for each subsequent offense, not more than \$500.00~~ shall be fined a civil penalty not to exceed \$10,000.00 for each violation. In the case of a continuing violation, each subsequent day in violation may be deemed a separate violation.

Subchapter 2. Licensing Food and Lodging Establishments

§ 4351. LICENSE FROM DEPARTMENT OF HEALTH

(a) A person shall not operate or maintain a ~~hotel, inn, restaurant, tourist camp~~ food manufacturing facility, retail food establishment, lodging establishment, children's camp, seafood vending facility, or any other place in which food is prepared and served, or lodgings provided or furnished to the transient traveling or vacationing public, or a seafood vending facility, unless he or she ~~shall have first obtained and holds~~ obtains and holds from the ~~department~~ Commissioner a license authorizing such operation. ~~The secretary may prescribe rules or conditions within which he or she may issue a temporary license for a period not to exceed 60 days. The license shall state the rules or conditions under which it is issued. However, nothing herein shall apply to any person who occasionally prepares and serves meals or provides occasional lodgings. The license shall be displayed in such a way as to be easily viewed by the patrons.~~ All licenses shall be displayed in a manner as to be easily viewed by the public.

(b) ~~For purposes of this section, "seafood vending facility" includes a store, motor vehicle, stand, or similar place from which a person sells seafood for consumption at another location.~~

(1) A person shall not knowingly and willingly sell or offer for sale a bulk product manufactured by a bakery, regardless of whether the bakery is located inside or outside the State, unless the operator of the bakery holds a valid license from the Commissioner.

(2) The Commissioner shall not grant a license to a bakery located outside the State unless:

(A) the person operating the bakery:

(i) has consented in writing to the Department's inspection and paid the required fee; or

(ii) has presented to the Department satisfactory evidence of inspection and approval from the proper authority in his or her state and paid the required fee; and

(B) inspection of the bakery confirms that it meets the laws and rules of this State.

(c) The Commissioner may issue a temporary license for no more than 90 days. The temporary license shall state the conditions under which it is issued.

(d) If the Commissioner does not renew a license, he or she shall provide written notice to the licensee. The notice shall specify any changes necessary to conform with State rules and shall state that if compliance is achieved within

the time designated in the notice, the license shall be renewed. If the licensee fails to achieve compliance within the prescribed time, the licensee shall have an opportunity for a hearing.

(e) Any licensee or applicant aggrieved by a decision or order of the Commissioner may appeal to the Board of Health within 30 days of that decision. Hearings by the Board under this section shall be subject to the provisions of 3 V.S.A. chapter 25 relating to contested cases. The Board shall consider the matter de novo and all persons, parties, and interests may appear and be heard. The Board shall issue an order within 30 days following the conclusion of the hearing.

(f) If a licensee fails to renew his or her license within 60 days of its expiration date, a licensee shall apply for a new license and meet all licensure requirements anew.

§ 4352. APPLICATION

~~A person desiring to operate a place~~ Prior to operating an establishment in which food is prepared and served or in which three or more lodging is units are offered to the public, a person shall apply to the ~~board~~ Commissioner upon forms supplied by the ~~board~~ Department and shall pay a license fee as provided by section 4353 of this title. An application for licensure shall be submitted no fewer than 30 days prior to the opening of a food or lodging establishment. Upon receipt of such license fee and when satisfied that the premises are sanitary and healthful in accordance with the provisions of this chapter and related rules, the ~~board~~ Commissioner shall issue a license to the applicant with respect to the premises described ~~therein~~ in the application.

§ 4353. FEES

(a) The Commissioner may establish by rule any requirement the Department needs to determine the applicable categories or exemptions for licenses. The following license fees shall be paid annually to the ~~Board~~ Department at the time of making the application according to the following schedules:

(1) ~~Restaurant~~ Restaurants

- I — Seating capacity of 0 to 25; \$105.00
- II — Seating capacity of 26 to 50; \$180.00
- III — Seating capacity of 51 to 100; \$300.00
- IV — Seating capacity of 101 to 200; \$385.00
- V — Seating capacity of 201 to 599; \$450.00
- VI — Seating capacity 600 or over; \$1,000.00

VII — Home Caterer; \$155.00

VIII — Commercial Caterer; \$260.00

IX — Limited Operations; \$140.00

X — Fair Stand; \$125.00; if operating for four or more days per year; \$230.00

(2) Lodging establishments

I — Lodging capacity of 1 to 10; \$130.00

II — Lodging capacity of 11 to 20; \$185.00

III — Lodging capacity of 21 to 50; \$250.00

IV — Lodging capacity of 51 to 200; \$390.00

V — Lodging capacity of over 200; \$1,000.00

(3) Food processor manufacturing establishment — a fee for any person or persons that process food for resale to restaurants, stores, or individuals according to the following schedule:

(A) Food manufacturing establishments; nonbakeries

I — Gross receipts of \$10,001.00 to \$50,000.00; \$175.00

~~(B)~~ II — Gross receipts of over \$50,000.00; \$275.00

III — Gross receipts of \$10,000.00 or less are exempt pursuant to section 4358 of this title

(B) Food manufacturing establishment; bakeries

I — Home bakery; \$100.00

II — Small commercial; \$200.00

III — Large commercial; \$350.00

(4) Seafood vending facility — \$200.00, unless operating pursuant to another license issued by the Department of Health and generating ~~less than~~ \$40,000.00 or less in seafood gross receipts annually. If generating more than \$40,000.00 in seafood gross receipts annually, the fee is to be paid regardless of whether the facility is operating pursuant to another license issued by the Department of Health.

(5) Shellfish reshippers and repackers — \$375.00.

(6) Children's camps — \$150.00.

(b) The Commissioner of Health ~~will~~ shall be the final authority on definition of categories contained ~~herein~~ in this section.

(c) All fees received by the ~~Board~~ Department under this section shall be credited to a special fund and shall be available to the Department to offset the cost of providing the services.

§ 4354. TERM OF LICENSE

~~Licenses~~ A license shall expire annually on a date established by the ~~department~~ Department and ~~shall be renewable~~ may be renewed upon the payment of a new license fee if the licensee is in good standing with the Department.

§ 4355. REGULATIONS; REPORTS

~~(a) The board may prescribe such rules and regulations as may be necessary to ensure the operation in a sanitary and healthful manner of places in which food is prepared and served to the public or in which lodgings are provided. All reports which such board may require shall be on forms prescribed by it.~~

~~(b) The board shall not adopt any rule requiring food establishments that operate less than six months of the year and provide outdoor seating for no more than 16 people to provide toilet facilities to patrons, and any such rule or portion thereof now in effect is repealed. [Repealed.]~~

§ 4356. INSPECTION, REVOCATION

~~The members of the board and any person in its employ and by its direction, at reasonable times, may enter any place operated under the provisions of sections 4351-4355 of this title, so far as may be necessary in the discharge of its duties. Whenever upon such inspection it is found that the premises are not being conducted in accordance with the provisions of the above named sections or the regulations adopted in accordance therewith, such board shall notify the licensee of the conditions found and direct such changes as are necessary. If such licensee shall fail within a reasonable time to comply with such orders, rules, or regulations adopted under the provisions of such sections, the board shall revoke the license. [Repealed.]~~

§ 4357. PENALTY

~~A person who violates any provision of this subchapter shall be fined not more than \$500.00. [Repealed.]~~

§ 4358. EXEMPTIONS

(a) The provisions of this subchapter shall apply only to ~~such~~ those hotels, inns, restaurants, tourist camps, and other places as that solicit the patronage of the public by advertising by means of signs, notices, placards, radio, electronic

communications, or printed announcements.

(b) The provisions of this subchapter shall not apply to an individual manufacturing and selling bakery products from his or her own home kitchen whose average gross retail sales do not exceed \$125.00 per week.

(c) Any food manufacturing establishment claiming a licensing exemption shall provide documentation as required by rule.

(d) The Commissioner shall not adopt a rule requiring food establishments that operate less than six months of the year and provide outdoor seating for fewer than 16 people at one time to provide toilet and hand washing facilities for patrons.

* * *

Subchapter 4. Bakeries

§ 4441. BAKERY PRODUCTS; DEFINITION

~~For the purposes of this subchapter,~~

~~(1) The word “bakery” is defined as a building or part of a building wherein is carried on as a principal occupation the production of bread, cakes, pies, or other food products made either wholly or in part of flour and intended for sale.~~

~~(2) The word “person” shall extend and be applied to bodies corporate, and to partnerships and unincorporated associations. [Repealed.]~~

§ 4442. RULES AND INSPECTION BY STATE BOARD OF HEALTH

~~The Board shall adopt and enforce rules as the public health may require in respect to the sanitary conditions of bakeries as defined herein. The Board is hereby authorized to inspect any such bakery at all reasonable times through its duly appointed officers, inspectors, agents, or assistants. [Repealed.]~~

§ 4443. SLEEPING ROOMS SEPARATE

~~The sleeping rooms for persons employed in a bakery shall be separated from the rooms where food products or any ingredient thereof are manufactured or stored. [Repealed.]~~

§ 4444. LICENSE

~~(a) No person shall operate a bakery in this state without having obtained from the department a license describing the building used as a bakery, including the post office address of the same, which license shall be posted by the owner or operator of such bakery in a conspicuous place in the shop described in such license or in the sales room connected therewith.~~

~~(b) No person shall knowingly and willfully sell or offer for sale in this state any bulk product manufactured by a bakery, whether such a bakery is located within or without the state, unless the operator of such bakery shall hold a valid license, as prescribed, from the department, which license shall in no case be granted covering a bakery located outside the state unless the person operating such bakery shall have consented in writing to its inspection and paid the fee as herein provided, or shall have paid the fee and received a license after presenting to the department satisfactory evidence of inspection and approval from the proper authority of his or her own state, and such bakery shall have been found by the inspection to meet the requirements of the laws of this state and rules and regulations of the secretary relating thereto. [Repealed.]~~

§ 4445. RENEWAL OF LICENSE

~~The holder of such a license who desires to continue to operate a bakery shall annually, commencing on or before January 31, 1974, and thereafter on or before January 31, renew his or her license, pay the renewal fee, and receive a new license provided the licensee is entitled thereto. [Repealed.]~~

§ 4446. FEE

~~(a) A person owning or conducting a bakery as specified in sections 4441 and 4444 of this title shall pay to the Board a fee for each certificate and renewal thereof in accordance with the following schedule:~~

~~Bakery I—Home Bakery; \$100.00~~

~~II—Small Commercial; \$200.00~~

~~III—Large Commercial; \$350.00~~

~~IV—Camps; \$150.00~~

~~(b) The Commissioner of Health will be the final authority on definition of categories contained herein.~~

~~(c) All fees received by the Board under this section shall be credited to a special fund and shall be available to the Department to offset the cost of providing the services. [Repealed.]~~

§ 4447. REVOCATION

~~Such license may be suspended or revoked by the board for cause after hearing. [Repealed.]~~

§ 4448. NEW BAKERY

~~No person shall open a new bakery in this state without having given at least 15 days' notice to the department of intention to open such bakery which notice shall contain a description and location of the building proposed to be~~

~~used as such bakery. Upon receipt of such notice, the department shall cause such premises to be examined and, if found to comply with the provisions and statutes relating to bakeries and the rules and regulations prescribed by the secretary, a license shall be issued upon payment of the fee as herein provided. [Repealed.]~~

§ 4449. LOCAL REGULATIONS

~~The provisions of this subchapter shall not prevent local health authorities from making and enforcing orders or regulations concerning the sanitary condition of bakeries and the sale of bakery products, except that such orders and regulations shall be suspended to the extent necessary to give effect to the provisions of this subchapter and the rules and regulations prescribed pursuant thereto. [Repealed.]~~

§ 4450. PENALTY

~~A person who violates any provisions of this subchapter shall be fined not more than \$500.00. [Repealed.]~~

§ 4451. EXCEPTIONS

~~The provisions of this subchapter shall not apply to individuals manufacturing in and selling from their own private home kitchens bread, cakes, pies, or other food products made either wholly or in part from flour whose average gross retail sales of such products do not exceed \$125.00 a week, nor to restaurants, inns, or hotels subject to the provisions of subchapter 2 of this chapter, nor to church, fraternal, or charitable food sales. [Repealed.]~~

Subchapter 5. Salvage Food Facilities

§ 4461. DEFINITIONS

For the purposes of this subchapter:

(1) ~~“Salvage food” means any food product from which the label on the packaging has been lost or destroyed or which has been subjected to possible damage as the result of accident, fire, flood, or other cause which may prevent the product from meeting the specifications of the manufacturer or the packer, but is otherwise suitable for human consumption.~~

(2) ~~“Salvage food facility” means a food vendor for which salvage foods comprise 50 percent or more of gross sales. [Repealed.]~~

§ 4462. REGULATIONS AND INSPECTION

~~The state board of health is authorized to inspect any salvage food facility at all reasonable times through its officers, inspectors, agents, or assistants. [Repealed.]~~

Subchapter 6. Temporary Outdoor Seating

§ 4465. ~~LIMITED FOOD ESTABLISHMENTS; TEMPORARY OUTDOOR SEATING~~

~~A food establishment that prepares and serves food for off premises uses may provide temporary outdoor seating for up to 16 persons from May 1 to October 31 without providing patron toilet or handwashing facilities. [Repealed.]~~

Subchapter 7. Short-Term Rentals

§ 4466. REGISTRATION OF SHORT-TERM RENTALS

(a) A person shall not operate or maintain a short-term rental unless he or she registers with the Department and obtains and holds a valid certificate of compliance.

(b) Prior to offering for rent a short-term rental, a person shall register with the Commissioner by completing forms published by the Department and paying a registration fee as provided in 4468 of this title.

(c) A person registering shall certify on the registration forms published by the Department that the short-term rental is in compliance with the following provisions:

(1) All available units shall comply with any relevant State and local fire and life safety laws and regulations.

(2) Each guest room shall be free of any evidence of insects, rodents, and other pests.

(3) All water from a nonpublic water supply system shall meet Vermont's water supply rules.

(4) All sewage shall be disposed of through an approved facility, including either:

(A) a public sewage treatment plant; or

(B) an individual sewage disposal system that is constructed, maintained, and operated according to the Department of Environmental Conservation's regulations, and otherwise meets all applicable sanitation requirements.

(5) All occupancy taxes on the short-term rental unit required pursuant to 32 V.S.A. chapter 225 shall be paid in a timely manner.

(d)(1) A registration application shall be submitted no fewer than 14 calendar days prior to opening a short-term rental.

(2) The Department shall award an initial certificate of compliance upon receipt of the applicant's completed registration application and registration fee. The certification of compliance shall state that the holder has self-certified compliance with health and safety laws and regulations and that the Department has not licensed or inspected the property.

(e) All certificates of compliance shall be displayed in a manner so as to be easily viewed by the public.

(f) Any perspective certificate holder aggrieved by a decision of the Department may appeal to the Board of Health pursuant to subsection 4351(e) of this title.

§ 4467. TERM; CERTIFICATE OF COMPLIANCE

A certificate of compliance shall expire annually after its date of issuance and may be renewed upon the payment of a new registration fee if the certificate holder is in good standing with the Department.

§ 4468. FEES; REGISTRATION

The following fee shall be paid to the Department at the time of registration or registration renewal:

Short-term rental — \$130.00.

§ 4469. ENFORCEMENT

(a) If a person is found to be in violation of this subchapter, the Commissioner shall issue a written notice and an order requiring both abatement of the violation and compliance with this subchapter within a reasonable period of time.

(b) A person upon whom the notice and order are served shall have an opportunity for a hearing at which he or she may show cause for vacating or amending the order. If it appears that the provisions of this chapter have not been violated, the Commissioner shall immediately vacate the order without prejudice. Conversely, if it appears that the provisions of this chapter have been violated and the person fails to comply with the order issued by the Commissioner, the Commissioner shall revoke, modify, or suspend the person's certificate of compliance or enforce a civil penalty pursuant to section 4309 of this title, or both.

Sec. 6. SHORT-TERM RENTAL WORKING GROUP; REPORT

(a) Creation. There is created the Short-Term Rental Working Group within the Department of Health for the purpose of developing a proposal for the regulation of short-term rentals in Vermont that:

(1) levels the playing field between short-term rentals and other lodging establishments; and

(2) protects the health and safety of the transient, traveling, or vacationing public.

(b)(1) Membership. The Working Group shall be composed of the following members:

(A) the Commissioner of Health or designee;

(B) the Commissioner of Taxes or designee; and

(C) the Executive Director of the Department of Public Safety's Fire Safety Division or designee.

(2) The Commissioner of Health shall invite at least the following representatives to participate in the Working Group:

(A) a representative of the Vermont Chamber of Commerce;

(B) a representative of Vermont's short-term rental industry; and

(C) a representative of the Vermont Lodging Association.

(c) Assistance. The Working Group shall have the administrative, technical, and legal assistance of Department of Health.

(d) Report. On or before October 1, 2017, the Working Group shall submit a written report to the House Committee on Human Services and the Senate Committee on Health and Welfare with its findings and any recommendations for legislative action.

(e) Meetings.

(1) The Commissioner of Health or designee shall call the first meeting of the Working Group to occur on or before August 1, 2017

(2) The Commissioner of Health or designee shall be the Chair.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall cease to exist on October 31, 2017.

(f) Definitions. As used in this section:

(1) "Lodging establishment" means the same as in 18 V.S.A. § 4301(9).

(2) "Short-term rental" means the same as in 18 V.S.A. § 4301(14).

Sec. 7. EFFECTIVE DATES

This act shall take effect on July 1, 2017, except 18 V.S.A. chapter 85, subchapter 7 (short-term rentals) shall take effect on January 1, 2019.

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

An act relating to Executive Branch and Judiciary fees and food and lodging establishments.

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

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

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance?, Senator Lyons moved to amend the proposal of amendment of the Committee on Finance, in Sec. 6 (short-term rental working group; report), in subparagraph (b)(2)(B) by striking out after the semicolon the word “and” and by inserting a new subparagraph (C) to read as follows:

(C) a representative of local government; and

And by relettering the remaining subparagraph to be alphabetically correct.

Which was agreed to.

Thereupon, on motion of Senator Ashe the Senate adjourn until one o'clock in the afternoon.

Afternoon

The Senate was called to order by the President.

Consideration Resumed; Consideration Postponed**H. 515.**

Consideration was resumed on House bill entitled:

An act relating to Executive Branch and Judiciary fees.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Finance?, Senator Ashe moved that consideration be postponed until later in the legislative day.

Which was agreed to.

Proposal of Amendment; Third Reading Ordered
H. 519.

Senator Flory, for the Committee on Institutions, to which was referred House bill entitled:

An act relating to capital construction and State bonding.

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. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the \$147,282,287.00 authorized in this act, no more than \$73,805,141.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

(b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of a Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

Sec. 2. STATE BUILDINGS

(a) The following sums are appropriated to the Department of Buildings and General Services, and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate Committee on Institutions and of the House Committee on Corrections and Institutions are notified before that action is taken.

(b) The following sums are appropriated in FY 2018:

(1) Statewide, planning, use, and contingency: \$500,000.00

(2) Statewide, major maintenance: \$6,000,000.00

(3) Statewide, BGS engineering and architectural project costs: \$3,537,525.00

(4) Statewide, physical security enhancements: \$270,000.00

(5) Montpelier, State House, Dome, Drum, and Ceres, design, permitting, construction, restoration, renovation, and lighting: \$300,000.00

(6) Randolph, Agencies of Agriculture, Food and Markets and of Natural Resources, collaborative laboratory, construction: \$4,500,000.00

(7) Springfield, Southern State Correctional Facility, completion of the steamline replacement: \$300,000.00

(8) Waterbury, Waterbury State Office Complex, site work for the Hanks and Weeks buildings, and renovation of the Weeks building:
\$4,000,000.00

(9) Newport, Northern State Correctional Facility, door control replacement:
\$1,000,000.00

(10) Newport, Northern State Correctional Facility, parking expansion:
\$350,000.00

(11) Montpelier, 109 and 111 State Street, design: \$600,000.00

(12) Department of Libraries, centralized facility, renovation:
\$1,500,000.00

(13) Burlington, 108 Cherry Street, parking garage, repairs:
\$5,000,000.00

(c) The following sums are appropriated in FY 2019:

(1) Statewide, planning, use, and contingency: \$500,000.00

(2) Statewide, major maintenance: \$5,799,648.00

(3) Statewide, BGS engineering and architectural project costs:
\$3,432,525.00

(4) Statewide, physical security enhancements: \$270,000.00

(5) Montpelier, State House, Dome, Drum, and Ceres, restoration, renovation, and lighting: \$1,700,000.00

(6) Montpelier, 120 State Street, life safety and infrastructure improvements: \$700,000.00

(7) Randolph, Agencies of Agriculture, Food and Markets and of Natural Resources, collaborative laboratory, construction, fit-up, and equipment: \$3,944,000.00

(8) Waterbury, Waterbury State Office Complex, Weeks building, renovation and fit-up: \$900,000.00

(9) Newport, Northern State Correctional Facility, door control replacement: \$1,000,000.00

(10) Montpelier, 109 and 111 State Street, final design and construction:
\$4,000,000.00

(11) Burlington, 108 Cherry Street, parking garage, repairs:
\$5,000,000.00

(12) Montpelier, 133 State Street, renovations of mainframe workspace to Office Space (Agency of Digital Services):
\$700,000.00

(d) Waterbury State Office Complex.

(1) The Commissioner of Buildings and General Services is authorized to use any appropriated funds remaining from the construction of the Waterbury State Office Complex for the projects described in subdivisions (b)(8) and (c)(8) of this section.

(2) On or before January 15, 2018, the Commissioner of Buildings and General Services shall evaluate the potential uses of the Stanley and Wasson buildings in the Waterbury State Office Complex.

<u>Appropriation – FY 2018</u>	<u>\$27,857,525.00</u>
<u>Appropriation – FY 2019</u>	<u>\$27,946,173.00</u>
<u>Total Appropriation – Section 2</u>	<u>\$55,803,698.00</u>

Sec. 3. HUMAN SERVICES

(a) The sum of \$200,000.00 is appropriated in FY 2018 to the Department of Buildings and General Services for the Agency of Human Services for cameras, locks, and perimeter intrusion at correctional facilities.

(b) The sum of \$300,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Human Services for the projects described in subsection (a) of this section.

<u>Appropriation – FY 2018</u>	<u>\$200,000.00</u>
<u>Appropriation – FY 2019</u>	<u>\$300,000.00</u>
<u>Total Appropriation – Section 3</u>	<u>\$500,000.00</u>

Sec. 4. JUDICIARY

(a) The sum of \$3,050,000.00 is appropriated in FY 2018 to the Judiciary for the case management IT system.

(b) It is the intent of the General Assembly to provide funding to complete the project described in subsection (a) of this section in FY 2019, and the Judiciary is encouraged to execute contracts for this project upon enactment of this act.

<u>Appropriation – FY 2018</u>	<u>\$3,050,000.00</u>
<u>Total Appropriation – Section 4</u>	<u>\$3,050,000.00</u>

 Sec. 5. COMMERCE AND COMMUNITY DEVELOPMENT

(a) The following sums are appropriated in FY 2018 to the Department of Buildings and General Services for the Agency of Commerce and Community Development:

<u>(1) Major maintenance at historic sites statewide:</u>	<u>\$200,000.00</u>
<u>(2) Stannard House, upgrades:</u>	<u>\$30,000.00</u>
<u>(3) Schooner Lois McClure, repairs and upgrades:</u>	<u>\$50,000.00</u>

(b) The following sums are appropriated in FY 2018 to the Agency of Commerce and Community Development for the following projects described in this subsection:

<u>(1) Underwater preserves:</u>	<u>\$30,000.00</u>
<u>(2) Placement and replacement of roadside historic markers:</u>	<u>\$15,000.00</u>

<u>(3) VT Center for Geographic Information, digital orthophotographic quadrangle mapping:</u>	<u>\$125,000.00</u>
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(c) The sum of \$200,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for the Agency of Commerce and Community Development for major maintenance at historic sites statewide.

(d) The following sums are appropriated in FY 2019 to the Agency of Commerce and Community Development for the following projects described in this subsection:

<u>(1) Underwater preserves:</u>	<u>\$30,000.00</u>
<u>(2) Placement and replacement of roadside historic markers:</u>	<u>\$15,000.00</u>

<u>(3) VT Center for Geographic Information, digital orthophotographic quadrangle mapping:</u>	<u>\$125,000.00</u>
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<u>Appropriation – FY 2018</u>	<u>\$450,000.00</u>
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<u>Appropriation – FY 2019</u>	<u>\$370,000.00</u>
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<u>Total Appropriation – Section 5</u>	<u>\$820,000.00</u>
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Sec. 6. GRANT PROGRAMS

(a) The following sums are appropriated in FY 2018 for Building Communities Grants established in 24 V.S.A. chapter 137:

(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program: \$200,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program: \$200,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the cultural facilities grant program: \$200,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$200,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$100,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education): \$100,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$200,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs Capital Projects Competitive Grant Program: \$200,000.00

(9) To the Enhanced 911 Board for the Enhanced 911 Compliance Grants Program: \$75,000.00

(b) The following sums are appropriated in FY 2019 for Building Communities Grants established in 24 V.S.A. chapter 137:

(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program: \$200,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program: \$200,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the cultural facilities grant program: \$200,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$200,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): \$100,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education): \$100,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$200,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs Capital Projects Competitive Grant Program: \$200,000.00

Appropriation – FY 2018 \$1,475,000.00

Appropriation – FY 2019 \$1,400,000.00

Total Appropriation – Section 6 \$2,875,000.00

Sec. 7. EDUCATION

The sum of \$50,000.00 is appropriated in FY 2018 to the Agency of Education for funding emergency projects.

Appropriation – FY 2018 \$50,000.00

Total Appropriation – Section 7 \$50,000.00

Sec. 8. UNIVERSITY OF VERMONT

(a) The sum of \$1,400,000.00 is appropriated in FY 2018 to the University of Vermont for construction, renovation, and major maintenance.

(b) The sum of \$1,400,000.00 is appropriated in FY 2019 to the University of Vermont for the projects described in subsection (a) of this section.

Appropriation – FY 2018 \$1,400,000.00

Appropriation – FY 2019 \$1,400,000.00

Total Appropriation – Section 8 \$2,800,000.00

Sec. 9. VERMONT STATE COLLEGES

(a) The sum of \$2,000,000.00 is appropriated in FY 2018 to the Vermont State Colleges for construction, renovation, and major maintenance.

(b) The sum of \$2,000,000.00 is appropriated in FY 2019 to the Vermont State Colleges for the projects described in subsection (a) of this section.

<u>Appropriation – FY 2018</u>	<u>\$2,000,000.00</u>
<u>Appropriation – FY 2019</u>	<u>\$2,000,000.00</u>
<u>Total Appropriation – Section 9</u>	<u>\$4,000,000.00</u>

Sec. 10. NATURAL RESOURCES

(a) The following sums are appropriated in FY 2018 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) Drinking Water Supply, Drinking Water State Revolving Fund:
\$2,300,000.00

(2) Dam safety and hydrology projects: \$200,000.00

(3) State's share of the Federal Superfund and State Lead Hazardous Waste Program (Elizabeth Mine, Ely Mine, and Williston (Commerce Street))
\$1,719,000.00

(b) The sum of \$2,750,000.00 is appropriated in FY 2018 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for infrastructure rehabilitation, including statewide small scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, and statewide small-scale road rehabilitation projects.

(c) The following sums are appropriated in FY 2018 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including conservation camps and shooting ranges, hatchery improvements, wildlife management area infrastructure, and fishing access areas: \$1,200,000.00

(2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye Rearing, restoration and stocking infrastructure: \$30,000.00

(d) The sum of \$2,720,000.00 is appropriated in FY 2018 to the Department of Buildings and General Services for the Department of Fish and Wildlife for the construction of the Roxbury Hatchery.

(e) The following sums are appropriated in FY 2019 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) Drinking Water Supply, Drinking Water State Revolving Fund:
\$1,400,000.00

(2) Dam safety and hydrology projects: \$175,000.00

(3) State's share of the Federal Superfund and State Lead Hazardous Waste Program (Elizabeth Mine and Ely Mine): \$2,755,000.00

(f) The sum of \$2,750,000.00 is appropriated in FY 2019 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for infrastructure rehabilitation, including statewide small scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, and statewide small-scale road rehabilitation projects.

(g) The following sums are appropriated in FY 2019 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including conservation camps and shooting ranges, hatchery improvements, wildlife management area infrastructure, and fishing access areas: \$1,100,000.00

(2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye Rearing, restoration and stocking infrastructure: \$30,000.00

Appropriation – FY 2018 \$10,919,000.00

Appropriation – FY 2019 \$8,210,000.00

Total Appropriation – Section 10 \$19,129,000.00

Sec. 11. CLEAN WATER INITIATIVES

(a) The following sums are appropriated in FY 2018 to the Agency of Agriculture, Food and Markets for the following projects described in this section:

(1) Best Management Practices and Conservation Reserve Enhancement Program: \$3,450,000.00

(2) Water quality grants and contracts: \$600,000.00

(b) The following sums are appropriated in FY 2018 to the Agency of Natural Resources for the Department of Environmental Conservation projects described in this subsection:

(1) Water Pollution Control Fund, Clean Water State/EPA Revolving Loan Fund (CWSRF) match: \$1,000,000.00

(2) EcoSystem restoration and protection: \$6,000,000.00

(3) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies, prior year partially funded projects: \$2,982,384.00

(4) Municipal Pollution Control Grants, pollution control projects and planning advances for feasibility studies, new projects (Ryegate, Springfield, St. Johnsbury, and St. Albans): \$2,704,232.00

(c) The sum of \$1,400,000.00 is appropriated in FY 2018 to the Agency of Transportation for the Municipal Mitigation Program.

(d) The following sums are appropriated in FY 2018 to the Vermont Housing and Conservation Board for the following projects:

(1) Statewide water quality improvement projects or other conservation projects: \$2,800,000.00

(2) Water quality farm improvement grants or fee purchase projects that enhance water quality impacts by leveraging additional funds:
\$1,000,000.00

(e) The sum of \$2,000,000.00 is appropriated in FY 2019 to the Agency of Agriculture, Food and Markets for Best Management Practices and the Conservation Reserve Enhancement Program.

(f) The following sums are appropriated in FY 2019 to the Agency of Natural Resources for the Department of Environmental Conservation projects described in this subsection:

(1) the Water Pollution Control Fund, Clean Water State/EPA Revolving Loan Fund (CWSRF) match: \$1,200,000.00

(2) EcoSystem restoration and protection: \$5,000,000.00

(3) Municipal Pollution Control Grants, new projects (Colchester, Rutland City, St. Albans, Middlebury): \$1,407,268.00

(4) Clean Water Act, implementation projects: \$11,010,704.00

(g) The sum of 2,750,000.00 is appropriated in FY 2019 to the Vermont Housing and Conservation Board for statewide water quality improvement projects or other conservation projects.

(h) It is the intent of the General Assembly that the Secretary of Natural Resources shall use the amount appropriated in subdivision (b)(4) of this section to fund new projects in Ryegate, Springfield, St. Johnsbury, and St. Albans; provided, however, that if the Secretary determines that one of these projects is not ready in FY 2018, the funds may be used for an eligible new project as authorized by 10 V.S.A. chapter 55 and 24 V.S.A. chapter 120.

(i) On or before November 1, 2017, the Clean Water Fund Board, established in 10 V.S.A. § 1389, shall submit a report to the House Committees on Corrections and Institutions and on Natural Resources, Fish and Wildlife, and the Senate Committees on Institutions and on Natural

Resources and Energy, providing a list of all clean water initiative programs and projects receiving funding in subsections (a)–(d) of this section and the amount of the investment.

(j) On or before January 15, 2018:

(1) the Clean Water Fund Board shall review and recommend Clean Water Act implementation programs funded from subdivision (f)(4) of this section; and

(2) the Board shall submit the list of programs recommended for FY 2019 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2019 capital budget report.

(k) In FY 2018 and FY 2019, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

<u>Appropriation – FY 2018</u>	<u>\$21,936,616.00</u>
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<u>Appropriation – FY 2019</u>	<u>\$23,367,972.00</u>
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<u>Total Appropriation – Section 11</u>	<u>\$45,304,588.00</u>
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Sec. 12. MILITARY

(a) The sum of \$750,000.00 is appropriated in FY 2018 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.

(b) The following sums are appropriated in FY 2019 to the Department of Military for the projects described in this subsection:

<u>(1) 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:</u>	<u>\$850,000.00</u>
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<u>(2) Bennington Armory, site acquisition:</u>	<u>\$60,000.00</u>
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<u>Appropriation – FY 2018</u>	<u>\$750,000.00</u>
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<u>Appropriation – FY 2019</u>	<u>\$910,000.00</u>
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<u>Total Appropriation – Section 12</u>	<u>\$1,660,000.00</u>
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Sec. 13. PUBLIC SAFETY

(a) The sum of \$1,927,000.00 is appropriated in FY 2018 to the Department of Buildings and General Services for site acquisition, design, permitting, and construction documents for the Williston Public Safety Field Station.

(b) The sum of \$5,573,000.00 is appropriated in FY 2019 to the Department of Buildings and General Services for construction of the Williston Public Safety Field Station.

Appropriation – FY 2018 \$1,927,000.00

Appropriation – FY 2019 \$5,573,000.00

Total Appropriation – Section 13 \$7,500,000.00

Sec. 14. AGRICULTURE, FOOD AND MARKETS

(a) The sum of \$75,000.00 is appropriated in FY 2018 to the Agency of Agriculture, Food and Markets for the Produce Safety Infrastructure Grant Improvement Program.

(b) The sum of \$75,000.00 is appropriated in FY 2019 to the Agency of Agriculture, Food and Markets for the Produce Safety Infrastructure Grant Improvement Program.

Appropriation – FY 2018 \$75,000.00

Appropriation – FY 2019 \$75,000.00

Total Appropriation – Section 14 \$150,000.00

Sec. 15. VERMONT RURAL FIRE PROTECTION

(a) The sum of \$125,000.00 is appropriated in FY 2018 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program.

(b) The sum of \$125,000.00 is appropriated in FY 2019 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the project described in subsection (a) of this section.

Appropriation – FY 2018 \$125,000.00

Appropriation – FY 2019 \$125,000.00

Total Appropriation – Section 15 \$250,000.00

Sec. 16. VERMONT VETERANS' HOME

(a) The sum of \$90,000.00 is appropriated in FY 2018 to the Vermont Veterans' Home for resident care furnishings.

(b) The sum of \$300,000.00 is appropriated in FY 2018 to the Department of Buildings and General Services for the Vermont Veterans' Home for kitchen renovations, and mold remediation.

(c) It is the intent of the General Assembly that the amount appropriated in subsection (a) of this section shall be used to match federal funds to purchase resident care furnishings for the Veterans' Home.

Appropriation – FY 2018 \$390,000.00

Total Appropriation – Section 16 \$390,000.00

Sec. 17. VERMONT HOUSING AND CONSERVATION BOARD

(a) The sum of \$1,200,000.00 is appropriated in FY 2018 to the Vermont Housing and Conservation Board for housing projects.

(b) The sum of \$1,800,000.00 is appropriated in FY 2019 to the Vermont Housing and Conservation Board for housing projects.

(c) The Vermont Housing and Conservation Board shall use funds appropriated in this section for:

(1) projects that are designed to keep residents out of institutions;

(2) the improvement of projects where there is already significant public investment and affordability or federal rental subsidies that would otherwise be lost;

(3) projects that would alleviate the burden in the most stressed rental markets and assist households into homeownership; or

(4) downtown and village center revitalization projects.

(d) The Vermont Housing and Conservation Board (VHCB) may use the amounts appropriated in this section to increase the amount it allocates to conservation grant awards pursuant to Sec. 11(d) and (g) of this act; provided, however, that VHCB increases any affordable housing investments by the same amount from funds appropriated to VHCB in the FY 2018 Appropriations Act.

Appropriation – FY 2018 \$1,200,000.00

Appropriation – FY 2019 \$1,800,000.00

Total Appropriation – Section 17 \$3,000,000.00

* * * Financing this Act * * *

Sec. 18. 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:

(1) of proceeds from the sale of property authorized in 2008 Acts and Resolves No. 200, Sec. 32 (1193 North Ave., Burlington): \$65,163.14

- (2) of the amount appropriated in 2009 Acts and Resolves No. 43, Sec. 11 (Waterbury, Emergency Operations Center): \$0.03
- (3) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 2 (Brattleboro, State office building HVAC replacement and renovations): \$178,010.22
- (4) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 2 (statewide, major maintenance): \$28,307.00
- (5) of the proceeds from the sale of property authorized in 2012 Acts and Resolves No. 104, Sec. 1(f) (43 Randall Street, Waterbury): \$101,156.39
- (6) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 2 (statewide, contingency): \$44,697.20
- (7) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 4 (Corrections, security upgrades): \$391.01
- (8) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 6 (Battle of Cedar Creek, roadside markers): \$28,253.60
- (9) of the amount appropriated in 2013 Acts and Resolves No. 51, Sec. 5 (Judiciary, Lamoille County Courthouse): \$1,064.79
- (10) of the amount appropriated in 2013 Acts and Resolves No. 15, Sec. 17 (Veterans' Home, mold remediation): \$858,000.00
- (11) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 1 (project management system): \$250,000.00
- (12) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 1 (statewide, major maintenance): \$1,271,619.46
- (13) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 1 (Vergennes, Weeks School Master Plan): \$5.00
- (14) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 2 (Corrections, NSCF kitchen/serving line reconstruction): \$60,000.00
- (15) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 3 (Caledonia County Courthouse, wall stabilization): \$12,867.40
- (16) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 8 (Public Safety, Robert H. Wood): \$1,937.00
- (17) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2 (statewide, engineering and architectural costs): \$6,912.30
- (18) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2 (Burlington, 32 Cherry Street, HVAC controls upgrade): \$550.38

(19) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2 (Caledonia County Courthouse, foundation): \$384,000.00

(20) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2 (statewide, major maintenance): \$7,187,408.54

(21) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1 (statewide, major maintenance): \$3,740,972.00

(b) The following unexpended funds appropriated to the Agency of Education for capital construction projects are reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act:

(1) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 3 (school construction): \$155,398.62

(2) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 8 (emergency projects): \$61,761.00

(c) The sum of \$353,529.29 in unexpended funds appropriated to the Agency of Agriculture, Food and Markets for capital construction projects in 2013 Acts and Resolves No. 51, Sec. 14 (nonpoint source pollution grants) is reallocated to the Department of Buildings and General Services to defray expenditures authorized in Sec. 2 of this act.

(d) 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:

(1) of the amount appropriated in 2011 Acts and Resolves No. 40, Sec. 12 (Forests, Parks and Recreation, projects): \$1,530.41

(2) of the amount appropriated in 2014 Acts and Resolves No. 178, Sec. 6 (water pollution control): \$0.02

(3) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 11 (municipal pollution control grants, Pownal): \$28,751.98

Total Reallocations and Transfers – Section 18 \$14,822,286.78

Sec. 19. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

The State Treasurer is authorized to issue general obligation bonds in the amount of \$132,460,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or

issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

Total Revenues – Section 19

\$132,460,000.00

* * * Policy * * *

* * * Buildings and General Services * * *

Sec. 20. PROPERTY TRANSACTIONS; MISCELLANEOUS

(a) The Commissioner of Buildings and General Services is authorized to sell the building and adjacent land located at 26 Terrace Street in Montpelier (the Redstone Building) pursuant to the requirements of 29 V.S.A. § 166(b).

(b) The Commissioner of Buildings and General Services is authorized to sell the Rutland Multi-Modal Transit Center (parking garage) located at 102 West Street in Rutland pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 21. RANDALL STREET; VILLAGE OF WATERBURY

The Commissioner of Buildings and General Services is authorized to sell a portion of State property in the Village of Waterbury that borders Randall Street if the Commissioner determines that it serves the best interest of the State. The proceeds from the sale shall be appropriated to future capital construction projects.

Sec. 22. SALE OF 26 TERRACE STREET; MONTPELIER

Notwithstanding 29 V.S.A. § 166(d), the proceeds from the sale of 26 Terrace Street in Montpelier (the Redstone building) shall be transferred to Sec. 2(c)(2) of this act.

Sec. 23. 29 V.S.A. § 157 is amended to read:

§ 157. FACILITIES CONDITION ANALYSIS

(a) The Commissioner of Buildings and General Services shall:

* * *

(2) Conduct a facilities condition analysis each year of ~~ten~~ 20 percent of the building area and infrastructure under the Commissioner's jurisdiction so that within ~~ten~~ five years all property is assessed. At the end of the ~~ten~~ five years, the process shall begin again. The analysis conducted pursuant to this subsection shall include the thermal envelope of buildings and a report on the annual energy consumption and energy costs and recommendations for reducing energy consumption.

* * *

Sec. 24. 2 V.S.A. § 62(a) is amended to read:

(a) The Sergeant at Arms shall:

* * *

(6) ~~maintain~~ Maintain in a good state of repair and provide security for all furniture, draperies, rugs, desks, ~~paintings~~ and ~~office equipment~~ other furnishings kept in the State House;

* * *

Sec. 25. 2 V.S.A. chapter 19 is amended to read:

CHAPTER 19. LEGISLATIVE ADVISORY COMMITTEE ON THE
STATE HOUSE

§ 651. LEGISLATIVE ADVISORY COMMITTEE ON THE STATE
HOUSE

(a) A Legislative Advisory Committee on the State House is created.

(b) The Committee shall be composed of 11 members: ~~three members of the House of Representatives appointed by the speaker; three members of the Senate appointed by the Committee on Committees; the Chair of the Board of Trustees of the Friends of the Vermont State House; the Director of the Vermont Historical Society; the Director of the Vermont Council on the Arts; the Commissioner of Buildings and General Services; and the Sergeant at Arms~~

(1) three members of the House of Representatives, appointed biennially by the Speaker of the House;

(2) three members of the Senate, appointed biennially by the Committee on Committees;

(3) the Chair of the Board of Trustees of the Friends of the Vermont State House;

(4) the Director of the Vermont Historical Society;

(5) the Director of the Vermont Council on the Arts;

(6) the Commissioner of Buildings and General Services; and

(7) the Sergeant at Arms.

(c) The Committee shall biennially elect a chair from among its legislative members. A quorum shall consist of six members.

(d) The Committee shall meet at the State House ~~on the first Monday of each third month beginning in July, 1984,~~ at least one time during the months

of July and December or at the call of the Chair. The Commissioner of Buildings and General Services shall keep minutes of the meetings and maintain a file thereof.

* * *

§ 653. FUNCTIONS

(a) The Legislative Advisory Committee on the State House shall be consulted on all activities relating to the acquisition and care of paintings and historic artifacts and furnishings, and the refurbishing, renovation, preservation, and expansion of the building and its interior.

(b) The Sergeant at Arms and the Commissioner of Buildings and General Services, in discharging responsibilities under subdivision 62(a)(6) of this title and ~~29 V.S.A. § 154(a)~~ 29 V.S.A. §§ 154(a) and 154a, respectively, shall consider the recommendations of the ~~Advisory~~ Committee. The ~~Advisory~~ Committee's recommendations shall be advisory only.

Sec. 26. 29 V.S.A. § 154 is amended to read:

§ 154. PRESERVATION OF STATE HOUSE AND HISTORIC STATE BUILDINGS

(a) ~~The commissioner of buildings and general services~~ Commissioner of Buildings and General Services shall give special consideration to the ~~state house~~ State House as a building of first historical importance and significance. He or she shall preserve the ~~state house~~ State House structure and its unique interior and exterior architectural form and design, with particular attention to the detail of form and design, in addition to keeping the buildings, its furnishings, facilities, appurtenances, appendages, and grounds surrounding and attached to it in the best possible physical and functional condition. ~~No~~ Any permanent change, alteration, addition, or removal in form, materials, design, architectural detail, furnishing, fixed in place or otherwise, interior or exterior, of the ~~state house~~, State House may not be made without legislative mandate. Emergency and immediately necessary repairs may, however, be made without legislative mandate upon prior approval of the ~~governor~~ Governor.

(b) ~~The commissioner of buildings and general services, as time and funds permit, shall prepare such records as will permit the reproduction of state-owned historic buildings should any of them be destroyed. [Repealed.]~~

Sec. 27. 29 V.S.A. § 154a is added to read:

§ 154a. STATE CURATOR

(a) Creation. The position of State Curator is created within the Department of Buildings and General Services.

(b) Duties. The State Curator's responsibilities shall include:

(1) oversight of the general historic preservation of the State House, including maintaining the historical integrity of the State House and works of art in the State House;

(2) interpretation of the State House to the visiting public through exhibits, publications, and tours; and

(3) acquisition, management and care of State collections of art and historic furnishings, provided that any works of art for the State House are acquired pursuant to the requirements of 2 V.S.A. § 653(a).

Sec. 28. 32 V.S.A. § 1001a is amended to read:

§ 1001a. REPORTS

(a) The Capital Debt Affordability Advisory Committee shall prepare and submit consistent with 2 V.S.A. § 20(a) a report on:

(1) ~~General~~ general obligation debt, pursuant to subsection 1001(c) of this title; and

(2) ~~How~~ how many, if any, Transportation Infrastructure Bonds have been issued and under what conditions. ~~The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.~~

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

Sec. 29. 2013 Acts and Resolves No. 1, Sec. 100(c), as amended by 2014 Acts and Resolves No. 179, Sec. E.113.1 and 2015 Acts and Resolves No. 58, Sec. E.113.1, is further amended to read:

(c) Sec. 97 (general obligation debt financing) shall take effect on ~~July 1, 2017~~ July 1, 2018.

* * * Human Services * * *

Sec. 30. SECURE RESIDENTIAL FACILITY; LAND

On or before June 30, 2018, the Commissioner of Buildings and General Services is authorized to purchase an option on land or purchase land for a permanent, secure residential facility; provided, however, that the size and location of the land shall be consistent with the siting and design examination conducted by the Agency of Human Services, as required by 2015 Acts and Resolves No. 26, Sec. 30.

Sec. 31. AGENCY OF HUMAN SERVICES; FACILITIES

(a) It is the intent of the General Assembly that the State address the pressing facility needs for the following populations:

(1) individuals who no longer require hospitalization but who remain in need of long-term treatment in a secure residential facility setting;

(2) individuals who are not willing or able to engage in voluntary community treatment but do not require hospitalization;

(3) elders with significant psychiatric needs who meet criteria for skilled nursing facilities;

(4) elders with significant psychiatric and medical needs who do not meet criteria for skilled nursing facilities;

(5) children in need of residential treatment;

(6) juvenile delinquents in need of residential detention;

(7) offenders in correctional facilities; and

(8) any other at-risk individuals.

(b) The Secretary of Human Services, in consultation with the Commissioner of Buildings and General Services, shall evaluate and develop a plan to support the populations described in subsection (a) of this section. In developing the plan, the Secretary and Commissioner shall take into consideration the data collected and the report submitted by the Corrections Facility Planning Committee, pursuant to 2016 Acts and Resolves No. 160, Sec. 30. The evaluation and plan shall include the following:

(1) an evaluation and recommendation of the use, condition, and maintenance needs of existing facilities, including whether any facility should be closed, renovated, relocated, repurposed, or sold, provided that if a recommendation is made to close a facility, a plan must be developed that addresses the future use or sale of that facility;

(2) an analysis of the historic population trends of existing facilities, and anticipated future population trends, including age, gender, court involvement, 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;

(4) an evaluation of whether constructing new facilities would better serve current or anticipated future populations, including whether the use of out-of-state facilities could be reduced or eliminated; and

(5) a recommendation on options for the Southeast State Correctional Facility, including whether to use, sell, or repurpose the Facility.

(c) On or before September 1, 2017, the Secretary shall provide an update on the status of the evaluation and plan to the Joint Legislative Committee on Justice Oversight.

(d) On or before January 15, 2018, the Secretary shall submit the plan and recommendations to the House Committees on Appropriations, on Corrections and Institutions, on Health Care, and on Human Services, and the Senate Committees on Appropriations, on Health and Welfare, and on Institutions.

* * * Information Technology * * *

Sec. 32. INFORMATION TECHNOLOGY REVIEW

(a) The Executive Branch shall transfer, upon request, one vacant position for use in the Legislative Joint Fiscal Office (JFO) for a staff position, or the JFO may hire a consultant, to provide support to the General Assembly to conduct independent reviews of State information technology projects and operations.

(b) The Secretary of Administration and the Chief Information Officer shall:

(1) provide to the JFO access to the reviews conducted by Independent Verification and Validation (IVV) firms hired to evaluate the State's current and planned information technology project, as requested;

(2) ensure that IVV firms' contracts allow the JFO to make requests for information related to the projects that it is reviewing and that such requests are provided to the JFO in a confidential manner; and

(3) provide to the JFO access to all other documentation related to current and planned information technology projects and operations, as requested.

(c) The JFO shall maintain a memorandum of understanding with the Executive Branch relating to any documentation provided under subsection (b) of this section that shall protect security and confidentiality.

(d) In FY 2018 and FY 2019, the JFO is authorized to use up to \$250,000.00 of the amounts appropriated in Sec. 4 of this act to fund activities described in this section.

Sec. 33. AGENCY OF DIGITAL SERVICES; ORGANIZATION

(a) The Secretary and Chief Information Officer (CIO) of Digital Services and the Secretary of Administration shall:

(1) provide an update on the development of an organizational model and design of the new Agency that improves efficiency, data sharing, and coordination on information technology (IT) procurement;

(2) collaborate with State information technology staff to better utilize technology skills and resources and create efficiencies across all State agencies and departments; and

(3) examine functions of the new Agency such as budget, administrative support, and supervision, and its space requirements, to establish a more efficient delivery of services to the public.

(b) On or before January 15, 2018, the Secretary and CIO of Digital Services shall prepare and present to the House Committees on Appropriations, on Corrections and Institutions, on Energy and Technology, and on Government Operations, and to the Senate Committees on Appropriations, on Government Operations, and on Institutions:

(1) a report containing additional recommendations for restructuring the Agency;

(2) draft legislation necessary to conform existing statutes; and

(3) a report on the budgetary impacts and transitional costs of restructuring, including an update on savings related to staffing changes and consolidation of resources.

* * * Natural Resources * * *

Sec. 34. AGENCY OF NATURAL RESOURCES PLAN FOR
IMPLEMENTING BASIN PLANNING PROJECTS WITH
REGIONAL PLANNING COMMISSIONS

On or before December 15, 2017, the Secretary of Natural Resources shall submit to the House Committees on Corrections and Institutions and on Natural Resources, Fish and Wildlife and the Senate Committees on Institutions and on Natural Resources and Energy a plan or process for how and to the extent the Secretary shall:

(1) contract with regional planning commissions and the Natural Resources Conservation Council to assist in or produce tactical basin plans under 10 V.S.A. § 1253; and

(2) assign the development, implementation, and administration of water quality projects identified in the basin planning process to municipalities, regional planning commissions, or other organizations.

Sec. 35. DEPARTMENT OF FORESTS, PARKS AND RECREATION;
LAND TRANSACTIONS

(a) The Commissioner of Forests, Parks and Recreation is authorized to:

(1) Amend certain terms and conditions of two conservation easements, in order to define and clarify the allowed uses for sugaring and other forestry-management-related structures and facilities, and including their associated infrastructure and utilities, and related site preparation activities on the following lands:

(A) approximately 31,343 acres, designated as the Hancock Legacy Easement 1996, on the map prepared by the Department of Forests, Parks and Recreation, entitled "Hancock Forest Legacy Easement Lands Essex and Orleans Counties, Vermont," dated December 27, 2016; and

(B) approximately 207 acres, designated as the Averill Inholdings Easement 2005, on the map prepared by the Department of Forests, Parks and Recreation, entitled "Hancock Forest Legacy Easement Lands Essex and Orleans Counties, Vermont," dated December 27, 2016.

(2) Sell to the Trust for Public Land, with the goal that the Trust will subsequently convey these tracts to the U.S. Forest Service for inclusion in the Green Mountain National Forest, the following two tracts:

(A) an approximately 113-acre tract in the Town of Mendon, designated as the Bertha Tract, on the map prepared by the Trust For Public Land, entitled "Rolston Rest Addition to Green Mountain National Forest," dated July 6, 2016; and

(B) an approximately 58-acre tract in the Town of Killington designated as the Burch Tract, on the map prepared by the Trust For Public Land, entitled "Rolston Rest Addition to Green Mountain National Forest," dated July 6, 2016.

(b) The sale described in subdivision (a)(2) of this section shall be pursuant to the terms of a mutually satisfactory purchase and sales agreement. The selling price shall be based on the fair market value for the Bertha Tract and Burch Tract, as determined by an appraisal. The sale of these tracts is contingent on support from the Towns of Mendon and of Killington. The proceeds of the sale shall be deposited in the Agency of Natural Resources' Land Acquisition Fund to be used to acquire additional properties for Long Trail protection purposes.

* * * Public Safety * * *

Sec. 36. PUBLIC SAFETY FIELD STATION; WILLISTON

(a) The Commissioner of Buildings and General Services is authorized to purchase land for a public safety field station and an equipment storage facility. The location of the land shall be based on the results of the detailed proposal for the site location developed by the Commissioner of Buildings and General Services, in consultation with the Commissioner of Public Safety, as required by 2016 Acts and Resolves No. 160, Sec. 34.

(b) The Commissioner of Buildings and General Services is authorized to sell the Williston Public Safety Field Station and adjacent land pursuant to the requirements of 29 V.S.A. § 166.

* * * Effective Date * * *

Sec. 37. EFFECTIVE DATE

This act shall take effect on passage.

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

Senator McCormack, 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. 31, Agency of Human Services; Facilities, in subsection (b), after “Sec. 30”, by inserting the following: , and the project design and plan for the Woodside Juvenile Rehabilitation Center, prepared pursuant to 2015 Acts and Resolves No. 26, Sec. 2(b)(21), in subdivision (b)(1), by striking out “the future use or sale of that facility”, and inserting in lieu thereof the following: its future use and by striking out subdivision (b)(5) in its entirety.

Second: In Sec. 33, Agency of Digital Services; Organization, in subsection (a), by inserting a new subdivision (2) that reads as follows:

(2) evaluate the use of this organizational model in other states, including the successes and failures in implementing the model, and any lessons learned;

And by renumbering the remaining subdivisions to be numerically correct.

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

Senator Ashe Assumes the Chair

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.

President Resumes the Chair

Thereupon, the proposal of amendment recommended by the Committee on Institutions, as amended, was agreed to and third reading of the bill was ordered on a roll call Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Proposal of Amendment; Third Reading Ordered

H. 518.

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 2018 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 2018. 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, 2017. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2018 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 2018.

(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, 2018.

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, 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 2018, 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 2018, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2017 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 2018 except for new positions authorized by the 2017 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, further amended by 2016 Acts and Resolves No. 172, Sec. E.100.2, and as further amended by Sec. E.100.1 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:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>
-	

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, and the F sections contain miscellaneous technical statute corrections.

Sec. B.100 Secretary of administration - secretary's office

Personal services	777,092
Operating expenses	<u>150,120</u>
Total	927,212
Source of funds	
General fund	<u>927,212</u>
Total	927,212

Sec. B.101 Secretary of administration - finance

Personal services	1,187,190
Operating expenses	<u>153,789</u>
Total	1,340,979
Source of funds	
Interdepartmental transfers	<u>1,340,979</u>
Total	1,340,979

 Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	566,009
Operating expenses	<u>226,235</u>
Total	792,244
Source of funds	
Internal service funds	<u>792,244</u>
Total	792,244

Sec. B.103 Secretary of administration - general liability insurance

Personal services	445,807
Operating expenses	<u>43,958</u>
Total	489,765
Source of funds	
Internal service funds	<u>489,765</u>
Total	489,765

Sec. B.104 Secretary of administration - all other insurance

Personal services	22,513
Operating expenses	<u>11,382</u>
Total	33,895
Source of funds	
Internal service funds	<u>33,895</u>
Total	33,895

Sec. B.105 Information and innovation - communications and information technology

Personal services	24,540,424
Operating expenses	<u>15,675,832</u>
Total	40,216,256
Source of funds	
Internal service funds	<u>40,216,256</u>
Total	40,216,256

Sec. B.106 Finance and management - budget and management

Personal services	1,471,321
Operating expenses	<u>202,003</u>
Total	1,673,324
Source of funds	
General fund	1,309,469
Interdepartmental transfers	<u>363,855</u>
Total	1,673,324

Sec. B.107 Finance and management - financial operations

Personal services	2,374,631
Operating expenses	<u>619,703</u>
Total	2,994,334
Source of funds	
Internal service funds	<u>2,994,334</u>
Total	2,994,334

Sec. B.108 Human resources - operations

Personal services	7,612,746
Operating expenses	<u>1,377,239</u>
Total	8,989,985
Source of funds	
General fund	1,968,777
Special funds	277,462
Internal service funds	6,206,438
Interdepartmental transfers	<u>537,308</u>
Total	8,989,985

Sec. B.108.1 Human Resources - VTNR Operations

Personal services	1,802,885
Operating expenses	<u>765,629</u>
Total	2,568,514
Source of funds	
Internal service funds	<u>2,568,514</u>
Total	2,568,514

Sec. B.109 Human resources - employee benefits & wellness

Personal services	1,070,140
Operating expenses	<u>581,803</u>
Total	1,651,943
Source of funds	
Internal service funds	<u>1,651,943</u>
Total	1,651,943

Sec. B.110 Libraries

Personal services	1,759,682
Operating expenses	1,463,407
Grants	<u>148,400</u>
Total	3,371,489
Source of funds	
General fund	2,329,975
Special funds	123,998

Federal funds	820,514
Interdepartmental transfers	<u>97,002</u>
Total	3,371,489
Sec. B.111 Tax - administration/collection	
Personal services	14,471,939
Operating expenses	<u>5,117,491</u>
Total	19,589,430
Source of funds	
General fund	18,075,976
Special funds	1,370,888
Interdepartmental transfers	<u>142,566</u>
Total	19,589,430
Sec. B.112 Buildings and general services - administration	
Personal services	659,538
Operating expenses	<u>103,275</u>
Total	762,813
Source of funds	
Interdepartmental transfers	<u>762,813</u>
Total	762,813
Sec. B.113 Buildings and general services - engineering	
Personal services	2,725,021
Operating expenses	<u>812,504</u>
Total	3,537,525
Source of funds	
Interdepartmental transfers	<u>3,537,525</u>
Total	3,537,525
Sec. B.114 Buildings and general services - information centers	
Personal services	3,247,710
Operating expenses	1,560,479
Grants	<u>35,750</u>
Total	4,843,939
Source of funds	
General fund	632,642
Transportation fund	3,886,230
Special funds	<u>325,067</u>
Total	4,843,939

Sec. B.115 Buildings and general services - purchasing

Personal services	1,052,452
Operating expenses	<u>197,598</u>
Total	1,250,050
Source of funds	
General fund	<u>1,250,050</u>
Total	1,250,050

Sec. B.116 Buildings and general services - postal services

Personal services	741,125
Operating expenses	<u>116,121</u>
Total	857,246
Source of funds	
General fund	85,063
Internal service funds	<u>772,183</u>
Total	857,246

Sec. B.117 Buildings and general services - copy center

Personal services	708,890
Operating expenses	<u>162,809</u>
Total	871,699
Source of funds	
Internal service funds	<u>871,699</u>
Total	871,699

Sec. B.118 Buildings and general services - fleet management services

Personal services	759,471
Operating expenses	<u>239,611</u>
Total	999,082
Source of funds	
Internal service funds	<u>999,082</u>
Total	999,082

Sec. B.119 Buildings and general services - federal surplus property

Personal services	32,667
Operating expenses	<u>5,760</u>
Total	38,427
Source of funds	
Enterprise funds	<u>38,427</u>
Total	38,427

Sec. B.120 Buildings and general services - state surplus property	
Personal services	142,751
Operating expenses	<u>109,881</u>
Total	252,632
Source of funds	
Internal service funds	<u>252,632</u>
Total	252,632
Sec. B.121 Buildings and general services - property management	
Personal services	1,025,441
Operating expenses	<u>864,228</u>
Total	1,889,669
Source of funds	
Internal service funds	<u>1,889,669</u>
Total	1,889,669
Sec. B.122 Buildings and general services - fee for space	
Personal services	15,282,330
Operating expenses	<u>14,081,331</u>
Total	29,363,661
Source of funds	
Internal service funds	<u>29,363,661</u>
Total	29,363,661
Sec. B.124 Executive office - governor's office	
Personal services	1,412,803
Operating expenses	<u>468,873</u>
Total	1,881,676
Source of funds	
General fund	1,695,176
Interdepartmental transfers	<u>186,500</u>
Total	1,881,676
Sec. B.125 Legislative council	
Personal services	3,812,245
Operating expenses	<u>866,666</u>
Total	4,678,911
Source of funds	
General fund	<u>4,678,911</u>
Total	4,678,911

Sec. B.126 Legislature

Personal services	3,932,539
Operating expenses	<u>3,649,343</u>
Total	7,581,882
Source of funds	
General fund	<u>7,581,882</u>
Total	7,581,882

Sec. B.127 Joint fiscal committee

Personal services	1,603,075
Operating expenses	<u>154,661</u>
Total	1,757,736
Source of funds	
General fund	<u>1,757,736</u>
Total	1,757,736

Sec. B.128 Sergeant at arms

Personal services	667,093
Operating expenses	<u>74,252</u>
Total	741,345
Source of funds	
General fund	<u>741,345</u>
Total	741,345

Sec. B.129 Lieutenant governor

Personal services	208,858
Operating expenses	<u>30,097</u>
Total	238,955
Source of funds	
General fund	<u>238,955</u>
Total	238,955

Sec. B.130 Auditor of accounts

Personal services	3,689,915
Operating expenses	<u>158,765</u>
Total	3,848,680
Source of funds	
General fund	400,371
Special funds	53,145
Internal service funds	<u>3,395,164</u>
Total	3,848,680

Sec. B.131 State treasurer

Personal services	3,443,785
Operating expenses	<u>267,689</u>
Total	3,711,474
Source of funds	
General fund	1,006,452
Special funds	2,604,257
Interdepartmental transfers	<u>100,765</u>
Total	3,711,474

Sec. B.132 State treasurer - unclaimed property

Personal services	827,048
Operating expenses	<u>298,653</u>
Total	1,125,701
Source of funds	
Private purpose trust funds	<u>1,125,701</u>
Total	1,125,701

Sec. B.133 Vermont state retirement system

Personal services	5,984,464
Operating expenses	<u>1,314,760</u>
Total	7,299,224
Source of funds	
Pension trust funds	<u>7,299,224</u>
Total	7,299,224

Sec. B.134 Municipal employees' retirement system

Personal services	2,096,238
Operating expenses	<u>751,569</u>
Total	2,847,807
Source of funds	
Pension trust funds	<u>2,847,807</u>
Total	2,847,807

Sec. B.135 State labor relations board

Personal services	208,856
Operating expenses	<u>47,734</u>
Total	256,590
Source of funds	
General fund	247,014
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	256,590

Sec. B.136 VOSHA review board

Personal services	74,662
Operating expenses	<u>13,543</u>
Total	88,205
Source of funds	
General fund	44,103
Interdepartmental transfers	<u>44,102</u>
Total	88,205

Sec. B.137 Homeowner rebate

Grants	<u>16,600,000</u>
Total	16,600,000
Source of funds	
General fund	<u>16,600,000</u>
Total	16,600,000

Sec. B.138 Renter rebate

Grants	<u>10,500,000</u>
Total	10,500,000
Source of funds	
General fund	3,150,000
Education fund	<u>7,350,000</u>
Total	10,500,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	<u>3,460,000</u>
Total	3,460,000
Source of funds	
Education fund	<u>3,460,000</u>
Total	3,460,000

Sec. B.140 Municipal current use

Grants	<u>15,283,643</u>
Total	15,283,643
Source of funds	
General fund	<u>15,283,643</u>
Total	15,283,643

Sec. B.141 Lottery commission

Personal services	1,950,778
Operating expenses	1,321,236
Grants	<u>150,000</u>
Total	3,422,014

Source of funds	
Enterprise funds	<u>3,422,014</u>
Total	3,422,014
Sec. B.142 Payments in lieu of taxes	
Grants	<u>7,600,000</u>
Total	7,600,000
Source of funds	
Special funds	<u>7,600,000</u>
Total	7,600,000
Sec. B.143 Payments in lieu of taxes - Montpelier	
Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000
Sec. B.144 Payments in lieu of taxes - correctional facilities	
Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	80,004,752
Transportation fund	3,886,230
Special funds	12,585,605
Education fund	10,810,000
Federal funds	820,514
Internal service funds	92,497,479
Interdepartmental transfers	7,116,203
Enterprise funds	3,460,441
Pension trust funds	10,147,031
Private purpose trust funds	<u>1,125,701</u>
Total	222,453,956
Sec. B.200 Attorney general	
Personal services	9,315,374
Operating expenses	1,382,078

Grants	<u>26,894</u>
Total	10,724,346
Source of funds	
General fund	4,931,409
Special funds	1,774,350
Tobacco fund	348,000
Federal funds	1,113,091
Interdepartmental transfers	<u>2,557,496</u>
Total	10,724,346
Sec. B.201 Vermont court diversion	
Personal services	823,550
Operating expenses	500
Grants	<u>1,996,483</u>
Total	2,820,533
Source of funds	
General fund	2,156,486
Special funds	<u>664,047</u>
Total	3,820,533
Sec. B.202 Defender general - public defense	
Personal services	10,815,479
Operating expenses	<u>1,058,134</u>
Total	11,873,613
Source of funds	
General fund	11,283,960
Special funds	<u>589,653</u>
Total	11,873,613
Sec. B.203 Defender general - assigned counsel	
Personal services	5,631,235
Operating expenses	<u>49,819</u>
Total	5,681,054
Source of funds	
General fund	<u>5,681,054</u>
Total	5,681,054
Sec. B.204 Judiciary	
Personal services	38,415,672
Operating expenses	9,358,344
Grants	<u>76,030</u>
Total	47,850,046
Source of funds	

General fund	42,300,859
Special funds	2,667,460
Federal funds	556,455
Interdepartmental transfers	<u>2,325,272</u>
Total	47,850,046
Sec. B.205 State's attorneys	
Personal services	12,520,142
Operating expenses	<u>2,158,949</u>
Total	14,679,091
Source of funds	
General fund	11,813,829
Special funds	123,480
Federal funds	31,000
Interdepartmental transfers	<u>2,710,782</u>
Total	14,679,091
Sec. B.206 Special investigative unit	
Personal services	85,000
Operating expenses	1,100
Grants	<u>1,913,000</u>
Total	1,999,100
Source of funds	
General fund	<u>1,999,100</u>
Total	1,999,100
Sec. B.207 Sheriffs	
Personal services	4,061,398
Operating expenses	<u>433,009</u>
Total	4,494,407
Source of funds	
General fund	<u>4,494,407</u>
Total	4,494,407
Sec. B.208 Public safety - administration	
Personal services	2,624,989
Operating expenses	<u>2,661,095</u>
Total	5,286,084
Source of funds	
General fund	2,896,171
Federal funds	279,160
Interdepartmental transfers	<u>2,110,753</u>
Total	5,286,084

Sec. B.209 Public safety - state police

Personal services	52,941,680
Operating expenses	9,656,601
Grants	<u>759,635</u>
Total	63,357,916
Source of funds	
General fund	35,799,847
Transportation fund	20,250,000
Special funds	3,190,202
Federal funds	2,334,001
Interdepartmental transfers	<u>1,783,866</u>
Total	63,357,916

Sec. B.210 Public safety - criminal justice services

Personal services	9,015,234
Operating expenses	2,346,270
Grants	<u>191,650</u>
Total	11,553,154
Source of funds	
General fund	7,006,967
Special funds	2,134,552
Federal funds	1,516,096
Interdepartmental transfers	<u>895,539</u>
Total	11,553,154

Sec. B.211 Public safety - emergency management and homeland security

Personal services	3,398,216
Operating expenses	1,401,401
Grants	<u>10,100,000</u>
Total	14,899,617
Source of funds	
General fund	516,797
Special funds	300,000
Federal funds	13,798,597
Interdepartmental transfers	<u>284,223</u>
Total	14,899,617

Sec. B.212 Public safety - fire safety

Personal services	6,442,511
Operating expenses	3,083,185
Grants	<u>107,000</u>
Total	9,632,696

Source of funds	
General fund	426,712
Special funds	8,309,126
Federal funds	851,858
Interdepartmental transfers	<u>45,000</u>
Total	9,632,696
Sec. B.215 Military - administration	
Personal services	712,974
Operating expenses	359,195
Grants	<u>100,000</u>
Total	1,172,169
Source of funds	
General fund	<u>1,172,169</u>
Total	1,172,169
Sec. B.216 Military - air service contract	
Personal services	5,527,805
Operating expenses	<u>1,073,275</u>
Total	6,601,080
Source of funds	
General fund	583,733
Federal funds	<u>6,017,347</u>
Total	6,601,080
Sec. B.217 Military - army service contract	
Personal services	7,325,373
Operating expenses	<u>6,008,750</u>
Total	13,334,123
Source of funds	
Federal funds	<u>13,334,123</u>
Total	13,334,123
Sec. B.218 Military - building maintenance	
Personal services	884,161
Operating expenses	<u>696,659</u>
Total	1,580,820
Source of funds	
General fund	1,520,820
Special funds	<u>60,000</u>
Total	1,580,820

Sec. B.219 Military - veterans' affairs

Personal services	762,092
Operating expenses	163,245
Grants	<u>94,380</u>
Total	1,019,717
Source of funds	
General fund	794,678
Special funds	125,310
Federal funds	<u>99,729</u>
Total	1,019,717

Sec. B.220 Center for crime victim services

Personal services	1,788,731
Operating expenses	312,067
Grants	<u>11,663,697</u>
Total	13,764,495
Source of funds	
General fund	1,264,140
Special funds	5,132,559
Federal funds	<u>7,367,796</u>
Total	13,764,495

Sec. B.221 Criminal justice training council

Personal services	1,061,527
Operating expenses	<u>1,277,414</u>
Total	2,338,941
Source of funds	
General fund	2,298,555
Interdepartmental transfers	<u>40,386</u>
Total	2,338,941

Sec. B.222 Agriculture, food and markets - administration

Personal services	1,654,766
Operating expenses	288,742
Grants	<u>307,972</u>
Total	2,251,480
Source of funds	
General fund	1,133,695
Special funds	630,066
Federal funds	<u>487,719</u>
Total	2,251,480

Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	3,939,183
Operating expenses	726,671
Grants	<u>2,750,000</u>
Total	7,415,854
Source of funds	
General fund	2,661,332
Special funds	3,672,807
Federal funds	1,074,715
Interdepartmental transfers	<u>7,000</u>
Total	7,415,854

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,590,008
Operating expenses	1,016,357
Grants	<u>1,170,875</u>
Total	3,777,240
Source of funds	
General fund	1,878,127
Special funds	625,830
Federal funds	1,233,783
Interdepartmental transfers	<u>39,500</u>
Total	3,777,240

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	3,344,918
Operating expenses	563,044
Grants	<u>587,000</u>
Total	4,494,962
Source of funds	
General fund	1,852,119
Special funds	1,958,384
Federal funds	477,028
Interdepartmental transfers	<u>207,431</u>
Total	4,494,962

Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab

Personal services	1,356,637
Operating expenses	<u>757,396</u>
Total	2,114,033

Source of funds	
General fund	848,119
Special funds	1,207,787
Interdepartmental transfers	<u>58,127</u>
Total	2,114,033
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	1,070,182
Operating expenses	266,190
Grants	<u>850,000</u>
Total	2,186,372
Source of funds	
Special funds	<u>2,186,372</u>
Total	2,186,372
Sec. B.226 Financial regulation - administration	
Personal services	1,998,578
Operating expenses	<u>198,577</u>
Total	2,197,155
Source of funds	
Special funds	<u>2,197,155</u>
Total	2,197,155
Sec. B.227 Financial regulation - banking	
Personal services	1,668,222
Operating expenses	<u>394,337</u>
Total	2,062,559
Source of funds	
Special funds	<u>2,062,559</u>
Total	2,062,559
Sec. B.228 Financial regulation - insurance	
Personal services	4,436,994
Operating expenses	<u>555,765</u>
Total	4,992,759
Source of funds	
Special funds	4,921,496
Interdepartmental transfers	<u>71,263</u>
Total	4,992,759
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,476,171
Operating expenses	<u>566,984</u>
Total	5,043,155

Source of funds	
Special funds	<u>5,043,155</u>
Total	5,043,155
Sec. B.230 Financial regulation - securities	
Personal services	863,956
Operating expenses	<u>185,402</u>
Total	1,049,358
Source of funds	
Special funds	<u>1,049,358</u>
Total	1,049,358
Sec. B.232 Secretary of state	
Personal services	9,750,435
Operating expenses	<u>2,538,565</u>
Total	12,289,000
Source of funds	
Special funds	11,007,000
Federal funds	1,207,000
Interdepartmental transfers	<u>75,000</u>
Total	12,289,000
Sec. B.233 Public service - regulation and energy	
Personal services	10,273,714
Operating expenses	2,111,355
Grants	<u>3,883,867</u>
Total	16,268,936
Source of funds	
Special funds	13,856,417
Federal funds	1,234,279
ARRA funds	1,120,000
Interdepartmental transfers	41,667
Enterprise funds	<u>16,573</u>
Total	16,268,936
Sec. B.234 Public service board	
Personal services	3,166,727
Operating expenses	<u>481,111</u>
Total	3,647,838
Source of funds	
Special funds	<u>3,647,838</u>
Total	3,647,838

Sec. B.235 Enhanced 9-1-1 Board

Personal services	3,759,427
Operating expenses	362,937
Grants	<u>720,000</u>
Total	4,842,364
Source of funds	
Special funds	<u>4,842,364</u>
Total	4,842,364

Sec. B.236 Human rights commission

Personal services	481,533
Operating expenses	<u>79,095</u>
Total	560,628
Source of funds	
General fund	490,527
Federal funds	<u>70,101</u>
Total	560,628

Sec. B.237 Liquor control - administration

Personal services	3,864,134
Operating expenses	<u>600,485</u>
Total	4,464,619
Source of funds	
Enterprise funds	<u>4,464,619</u>
Total	4,464,619

Sec. B.238 Liquor control - enforcement and licensing

Personal services	2,660,717
Operating expenses	<u>560,506</u>
Total	3,221,223
Source of funds	
Special funds	20,000
Tobacco fund	213,843
Federal funds	312,503
Enterprise funds	<u>2,674,877</u>
Total	3,221,223

Sec. B.239 Liquor control - warehousing and distribution

Personal services	990,624
Operating expenses	<u>522,578</u>
Total	1,513,202
Source of funds	

Enterprise funds	<u>1,513,202</u>
Total	1,513,202
Sec. B.240 Total protection to persons and property	
Source of funds	
General fund	147,805,612
Transportation fund	20,250,000
Special funds	83,999,327
Tobacco fund	561,843
Federal funds	53,396,381
ARRA funds	1,120,000
Interdepartmental transfers	13,253,305
Enterprise funds	<u>8,669,271</u>
Total	329,055,739
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	19,186,112
Operating expenses	5,427,146
Grants	<u>7,444,843</u>
Total	32,058,101
Source of funds	
General fund	10,014,889
Special funds	91,017
Tobacco fund	25,000
Federal funds	19,149,640
Global Commitment fund	453,000
Interdepartmental transfers	<u>2,324,555</u>
Total	32,058,101
Sec. B.301 Secretary's office - global commitment	
Operating expenses	846,057
Grants	<u>1,582,593,210</u>
Total	1,583,439,267
Source of funds	
General fund	263,072,810
Special funds	31,496,422
Tobacco fund	21,269,352
State health care resources fund	293,176,780
Federal funds	956,383,903
Interdepartmental transfers	<u>18,040,000</u>
Total	1,583,439,267

Sec. B.302 Rate setting

Personal services	864,718
Operating expenses	<u>97,142</u>
Total	961,860
Source of funds	
General fund	480,930
Federal funds	<u>480,930</u>
Total	961,860

Sec. B.303 Developmental disabilities council

Personal services	290,325
Operating expenses	67,012
Grants	<u>248,388</u>
Total	605,725
Source of funds	
Federal funds	<u>605,725</u>
Total	605,725

Sec. B.304 Human services board

Personal services	682,525
Operating expenses	<u>88,308</u>
Total	770,833
Source of funds	
General fund	409,989
Federal funds	314,044
Interdepartmental transfers	<u>46,800</u>
Total	770,833

Sec. B.305 AHS - administrative fund

Personal services	350,000
Operating expenses	<u>10,150,000</u>
Total	10,500,000
Source of funds	
Interdepartmental transfers	<u>10,500,000</u>
Total	10,500,000

Sec. B.306 Department of Vermont health access - administration

Personal services	177,240,484
Operating expenses	5,542,033
Grants	<u>7,264,742</u>
Total	190,047,259
Source of funds	
General fund	31,518,780

Special funds	3,577,938
Federal funds	139,552,196
Global Commitment fund	7,915,736
Interdepartmental transfers	<u>7,482,609</u>
Total	190,047,259

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Grants	<u>752,555,668</u>
Total	752,555,668
Source of funds	
Global Commitment fund	<u>752,555,668</u>
Total	752,555,668

Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver

Grants	<u>196,483,201</u>
Total	196,483,201
Source of funds	
General fund	753,720
Federal funds	896,280
Global Commitment fund	<u>194,833,201</u>
Total	196,483,201

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>50,175,082</u>
Total	50,175,082
Source of funds	
General fund	40,507,054
Global Commitment fund	<u>9,668,028</u>
Total	50,175,082

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>37,213,898</u>
Total	37,213,898
Source of funds	
General fund	13,685,694
Federal funds	<u>23,528,204</u>
Total	37,213,898

Sec. B.311 Health - administration and support

Personal services	7,692,836
Operating expenses	2,999,965
Grants	<u>3,725,000</u>
Total	14,417,801
Source of funds	
General fund	2,646,995
Special funds	1,640,781
Federal funds	6,606,306
Global Commitment fund	3,478,719
Interdepartmental transfers	<u>45,000</u>
Total	14,417,801

Sec. B.312 Health - public health

Personal services	41,822,394
Operating expenses	7,579,809
Grants	<u>36,081,485</u>
Total	85,483,688
Source of funds	
General fund	8,567,428
Special funds	17,443,570
Tobacco fund	1,063,918
Federal funds	44,857,697
Global Commitment fund	12,551,629
Interdepartmental transfers	974,446
Permanent trust funds	<u>25,000</u>
Total	85,483,688

Sec. B.313 Health - alcohol and drug abuse programs

Personal services	3,763,900
Operating expenses	208,810
Grants	<u>49,363,212</u>
Total	53,335,922
Source of funds	
General fund	2,908,535
Special funds	1,084,761
Tobacco fund	949,917
Federal funds	13,197,694
Global Commitment fund	<u>35,195,015</u>
Total	53,335,922

Sec. B.314 Mental health - mental health

Personal services	29,838,587
Operating expenses	3,666,056
Grants	<u>199,368,140</u>
Total	232,872,783
Source of funds	
General fund	4,864,021
Special funds	434,904
Federal funds	6,691,092
Global Commitment fund	220,862,766
Interdepartmental transfers	<u>20,000</u>
Total	232,872,783

Sec. B.316 Department for children and families - administration & support services

Personal services	41,307,378
Operating expenses	10,464,802
Grants	<u>3,678,688</u>
Total	55,450,868
Source of funds	
General fund	30,639,729
Special funds	655,548
Federal funds	23,274,906
Global Commitment fund	664,660
Interdepartmental transfers	<u>216,025</u>
Total	55,450,868

Sec. B.317 Department for children and families - family services

Personal services	31,887,814
Operating expenses	4,723,500
Grants	<u>75,838,377</u>
Total	112,449,691
Source of funds	
General fund	33,280,421
Special funds	1,691,637
Federal funds	26,151,771
Global Commitment fund	51,191,608
Interdepartmental transfers	<u>134,254</u>
Total	112,449,691

Sec. B.318 Department for children and families - child development

Personal services	6,405,300
Operating expenses	802,146
Grants	<u>77,455,662</u>
Total	84,663,108
Source of funds	
General fund	35,216,782
Special funds	1,820,000
Federal funds	36,142,431
Global Commitment fund	<u>11,483,895</u>
Total	84,663,108

Sec. B.319 Department for children and families - office of child support

Personal services	10,242,836
Operating expenses	<u>3,632,098</u>
Total	13,874,934
Source of funds	
General fund	3,478,675
Special funds	455,719
Federal funds	9,552,940
Interdepartmental transfers	<u>387,600</u>
Total	13,874,934

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,182,805
Grants	<u>11,367,424</u>
Total	13,550,229
Source of funds	
General fund	9,649,899
Global Commitment fund	<u>3,900,330</u>
Total	13,550,229

Sec. B.321 Department for children and families - general assistance

Grants	<u>6,977,360</u>
Total	6,977,360
Source of funds	
General fund	5,580,025
Federal funds	1,111,320
Global Commitment fund	<u>286,015</u>
Total	6,977,360

 Sec. B.322 Department for children and families - 3SquaresVT

Grants	<u>29,827,906</u>
Total	29,827,906
Source of funds	
Federal funds	<u>29,827,906</u>
Total	29,827,906

Sec. B.323 Department for children and families - reach up

Operating expenses	95,202
Grants	<u>33,735,219</u>
Total	33,830,421
Source of funds	
General fund	6,717,098
Special funds	21,806,288
Federal funds	2,674,594
Global Commitment fund	<u>2,632,441</u>
Total	33,830,421

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	<u>17,351,664</u>
Total	17,351,664
Source of funds	
Federal funds	<u>17,351,664</u>
Total	17,351,664

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	452,430
Operating expenses	33,444
Grants	<u>9,673,747</u>
Total	10,159,621
Source of funds	
General fund	4,483,212
Special funds	57,990
Federal funds	4,350,903
Global Commitment fund	<u>1,267,516</u>
Total	10,159,621

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	333,097
Operating expenses	56,878

Grants	<u>10,529,067</u>
Total	10,919,042
Source of funds	
Special funds	9,690,895
Federal funds	<u>1,228,147</u>
Total	10,919,042
Sec. B.327 Department for children and families - Woodside rehabilitation center	
Personal services	5,515,892
Operating expenses	<u>697,584</u>
Total	6,213,476
Source of funds	
General fund	1,142,720
Global Commitment fund	4,973,756
Interdepartmental transfers	<u>97,000</u>
Total	6,213,476
Sec. B.328 Department for children and families - disability determination services	
Personal services	6,023,192
Operating expenses	<u>507,294</u>
Total	6,530,486
Source of funds	
General fund	82,500
Federal funds	6,338,219
Global Commitment fund	<u>109,767</u>
Total	6,530,486
Sec. B.329 Disabilities, aging, and independent living - administration & support	
Personal services	31,147,704
Operating expenses	<u>5,194,746</u>
Total	36,342,450
Source of funds	
General fund	15,894,860
Special funds	1,390,457
Federal funds	17,990,849
Interdepartmental transfers	<u>1,066,284</u>
Total	36,342,450

 Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>21,162,885</u>
Total	21,162,885
Source of funds	
General fund	8,403,232
Federal funds	7,148,466
Global Commitment fund	<u>5,611,187</u>
Total	21,162,885

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	<u>1,451,457</u>
Total	1,451,457
Source of funds	
General fund	389,154
Special funds	223,450
Federal funds	593,853
Global Commitment fund	<u>245,000</u>
Total	1,451,457

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	<u>8,972,255</u>
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	<u>2,970,387</u>
Total	8,972,255

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	<u>209,279,068</u>
Total	209,279,068
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	<u>208,748,623</u>
Total	209,279,068

 Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>5,647,336</u>
Total	5,647,336
Source of funds	
Global Commitment fund	<u>5,647,336</u>
Total	5,647,336

Sec. B.335 Corrections - administration

Personal services	2,761,226
Operating expenses	<u>238,644</u>
Total	2,999,870
Source of funds	
General fund	<u>2,999,870</u>
Total	2,999,870

Sec. B.336 Corrections - parole board

Personal services	259,000
Operating expenses	<u>81,081</u>
Total	340,081
Source of funds	
General fund	<u>340,081</u>
Total	340,081

Sec. B.337 Corrections - correctional education

Personal services	3,001,014
Operating expenses	<u>510,128</u>
Total	3,511,142
Source of funds	
Education fund	3,362,358
Interdepartmental transfers	<u>148,784</u>
Total	3,511,142

Sec. B.338 Corrections - correctional services

Personal services	108,272,207
Operating expenses	22,048,934
Grants	<u>9,426,638</u>
Total	139,747,779
Source of funds	
General fund	132,862,670
Special funds	629,963
Federal funds	470,962
Global Commitment fund	5,387,869

Interdepartmental transfers	<u>396,315</u>
Total	139,747,779
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>7,410,632</u>
Total	7,410,632
Source of funds	
General fund	<u>7,410,632</u>
Total	7,410,632
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	447,785
Operating expenses	<u>455,845</u>
Total	903,630
Source of funds	
Special funds	<u>903,630</u>
Total	903,630
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,375,777
Operating expenses	<u>565,784</u>
Total	1,941,561
Source of funds	
Internal service funds	<u>1,941,561</u>
Total	1,941,561
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	18,740,073
Operating expenses	<u>4,687,334</u>
Total	23,427,407
Source of funds	
General fund	6,365,116
Special funds	8,474,443
Federal funds	8,176,862
Global Commitment fund	<u>410,986</u>
Total	23,427,407
Sec. B.343 Commission on women	
Personal services	300,078
Operating expenses	<u>70,983</u>
Total	371,061
Source of funds	

General fund	<u>371,061</u>
Total	371,061
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	151,096
Source of funds	
General fund	<u>151,096</u>
Total	151,096
Sec. B.345 Green Mountain Care Board	
Personal services	7,312,099
Operating expenses	<u>1,407,428</u>
Total	8,719,527
Source of funds	
General fund	2,119,482
Special funds	3,587,883
Federal funds	226,574
Global Commitment fund	2,567,518
Interdepartmental transfers	<u>218,070</u>
Total	8,719,527
Sec. B.346 Total human services	
Source of funds	
General fund	688,536,130
Special funds	107,242,759
Tobacco fund	23,308,187
State health care resources fund	293,176,780
Education fund	3,362,358
Federal funds	1,409,788,458
Global Commitment fund	1,542,649,771
Internal service funds	1,941,561
Interdepartmental transfers	45,068,129
Permanent trust funds	<u>25,000</u>
Total	4,115,099,133
Sec. B.400 Labor - programs	
Personal services	30,803,543
Operating expenses	8,195,159
Grants	<u>1,500,000</u>
Total	40,498,702
Source of funds	
General fund	3,282,129

Special funds	3,616,477
Federal funds	31,891,593
Interdepartmental transfers	<u>1,708,503</u>
Total	40,498,702
Sec. B.401 Total labor	
Source of funds	
General fund	3,282,129
Special funds	3,616,477
Federal funds	31,891,593
Interdepartmental transfers	<u>1,708,503</u>
Total	40,498,702
Sec. B.500 Education - finance and administration	
Personal services	8,778,194
Operating expenses	2,475,753
Grants	<u>17,087,879</u>
Total	28,341,826
Source of funds	
General fund	3,475,789
Special funds	18,330,173
Education fund	1,015,606
Federal funds	2,714,811
Global Commitment fund	260,000
Interdepartmental transfers	<u>2,545,447</u>
Total	28,341,826
Sec. B.501 Education - education services	
Personal services	18,581,101
Operating expenses	1,604,659
Grants	<u>125,519,492</u>
Total	145,705,252
Source of funds	
General fund	5,605,968
Special funds	3,808,374
Tobacco fund	750,388
Federal funds	133,477,859
Interdepartmental transfers	<u>2,062,663</u>
Total	145,705,252
Sec. B.502 Education - special education: formula grants	
Grants	<u>180,749,796</u>
Total	180,749,796

Source of funds	
Education fund	<u>180,749,796</u>
Total	180,749,796
Sec. B.503 Education - state-placed students	
Grants	<u>16,700,000</u>
Total	16,700,000
Source of funds	
Education fund	<u>16,700,000</u>
Total	16,700,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,254,045</u>
Total	4,254,045
Source of funds	
General fund	787,995
Education fund	2,700,000
Federal funds	<u>766,050</u>
Total	4,254,045
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>7,200,000</u>
Total	7,200,000
Source of funds	
Education fund	<u>7,200,000</u>
Total	7,200,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,352,200,000</u>
Total	1,352,200,000
Source of funds	
Education fund	<u>1,352,200,000</u>
Total	1,352,200,000
Sec. B.506 Education - transportation	
Grants	<u>18,745,381</u>
Total	18,745,381
Source of funds	
Education fund	<u>18,745,381</u>
Total	18,745,381

Sec. B.507 Education - small school grants

Grants	<u>7,600,000</u>
Total	7,600,000
Source of funds	
Education fund	<u>7,600,000</u>
Total	7,600,000

Sec. B.508 Education - capital debt service aid

Grants	<u>25,000</u>
Total	25,000
Source of funds	
Education fund	<u>25,000</u>
Total	25,000

Sec. B.510 Education - essential early education grant

Grants	<u>6,442,927</u>
Total	6,442,927
Source of funds	
Education fund	<u>6,442,927</u>
Total	6,442,927

Sec. B.511 Education - technical education

Grants	<u>13,613,512</u>
Total	13,613,512
Source of funds	
Education fund	<u>13,613,512</u>
Total	13,613,512

Sec. B.513 Appropriation and transfer to education fund

Grants	<u>314,695,753</u>
Total	314,695,753
Source of funds	
General fund	<u>314,695,753</u>
Total	314,695,753

Sec. B.514 State teachers' retirement system

Grants	<u>83,809,437</u>
Total	83,809,437
Source of funds	
General fund	75,912,816
Education fund	<u>7,896,621</u>
Total	83,809,437

 Sec. B.514.1 State teachers' retirement system

Personal services	6,192,879
Operating expenses	<u>1,494,552</u>
Total	7,687,431
Source of funds	
Pension trust funds	<u>7,687,431</u>
Total	7,687,431

Sec. B.515 Retired teachers' health care and medical benefits

Grants	<u>27,560,966</u>
Total	27,560,966
Source of funds	
General fund	<u>27,560,966</u>
Total	27,560,966

Sec. B.516 Total general education

Source of funds	
General fund	428,039,287
Special funds	22,138,547
Tobacco fund	750,388
Education fund	1,614,888,843
Federal funds	136,958,720
Global Commitment fund	260,000
Interdepartmental transfers	4,608,110
Pension trust funds	<u>7,687,431</u>
Total	2,215,331,326

Sec. B.600 University of Vermont

Grants	<u>42,509,093</u>
Total	42,509,093
Source of funds	
General fund	38,462,876
Global Commitment fund	<u>4,046,217</u>
Total	42,509,093

Sec. B.601 Vermont Public Television

Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1

 Sec. B.602 Vermont state colleges

Grants	<u>28,300,464</u>
Total	28,300,464
Source of funds	
General fund	<u>28,300,464</u>
Total	28,300,464

Sec. B.602.1 Vermont state colleges - Supplemental Aid

Grants	<u>700,000</u>
Total	700,000
Source of funds	
General fund	<u>700,000</u>
Total	700,000

Sec. B.603 Vermont state colleges - allied health

Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775

Sec. B.605 Vermont student assistance corporation

Grants	<u>19,414,588</u>
Total	19,414,588
Source of funds	
General fund	<u>19,414,588</u>
Total	19,414,588

Sec. B.606 New England higher education compact

Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	87,710,244
Global Commitment fund	<u>4,455,678</u>
Total	92,165,922

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	3,930,773
Operating expenses	1,090,586
Grants	<u>34,960</u>
Total	5,056,319

Source of funds	
General fund	4,231,479
Special funds	554,112
Federal funds	15,000
Interdepartmental transfers	<u>255,728</u>
Total	5,056,319

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	<u>2,493,229</u>
Total	2,493,229
Source of funds	
General fund	2,071,729
Interdepartmental transfers	<u>421,500</u>
Total	2,493,229

Sec. B.702 Fish and wildlife - support and field services

Personal services	16,627,558
Operating expenses	5,223,271
Grants	<u>860,000</u>
Total	22,710,829

Source of funds	
General fund	5,120,337
Special funds	266,350
Fish and wildlife fund	9,329,826
Federal funds	7,865,515
Interdepartmental transfers	127,801
Permanent trust funds	<u>1,000</u>
Total	22,710,829

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,353,932
Operating expenses	785,612

Grants	<u>2,061,750</u>
Total	4,201,294
Source of funds	
General fund	1,480,709
Special funds	1,447,050
Federal funds	1,263,535
Interdepartmental transfers	<u>10,000</u>
Total	4,201,294
Sec. B.704 Forests, parks and recreation - forestry	
Personal services	5,345,642
Operating expenses	772,756
Grants	<u>500,000</u>
Total	6,618,398
Source of funds	
General fund	4,638,604
Special funds	347,174
Federal funds	1,362,000
Interdepartmental transfers	195,999
Permanent trust funds	<u>74,621</u>
Total	6,618,398
Sec. B.705 Forests, parks and recreation - state parks	
Personal services	7,999,465
Operating expenses	<u>2,603,498</u>
Total	10,602,963
Source of funds	
General fund	555,654
Special funds	<u>10,047,309</u>
Total	10,602,963
Sec. B.706 Forests, parks and recreation - lands administration	
Personal services	536,620
Operating expenses	<u>1,201,508</u>
Total	1,738,128
Source of funds	
General fund	501,609
Special funds	144,769
Federal funds	1,073,000
Interdepartmental transfers	<u>18,750</u>
Total	1,738,128

Sec. B.707 Forests, parks and recreation - youth conservation corps

Grants	<u>326,689</u>
Total	326,689
Source of funds	
General fund	48,307
Special funds	188,382
Interdepartmental transfers	<u>90,000</u>
Total	326,689

Sec. B.708 Forests, parks and recreation - forest highway maintenance

Personal services	94,000
Operating expenses	<u>85,925</u>
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925

Sec. B.709 Environmental conservation - management and support services

Personal services	5,671,296
Operating expenses	1,510,008
Grants	<u>187,442</u>
Total	7,368,746
Source of funds	
General fund	931,187
Special funds	351,935
Federal funds	702,230
Interdepartmental transfers	<u>5,383,394</u>
Total	7,368,746

Sec. B.710 Environmental conservation - air and waste management

Personal services	12,163,522
Operating expenses	8,258,175
Grants	<u>2,061,047</u>
Total	22,482,744
Source of funds	
General fund	95,050
Special funds	18,252,862
Federal funds	3,944,591
Interdepartmental transfers	<u>190,241</u>
Total	22,482,744

Sec. B.711 Environmental conservation - office of water programs

Personal services	18,132,902
Operating expenses	5,531,907
Grants	<u>24,284,028</u>
Total	47,948,837
Source of funds	
General fund	7,564,123
Special funds	10,876,060
Federal funds	28,447,666
Interdepartmental transfers	<u>1,060,988</u>
Total	47,948,837

Sec. B.713 Natural resources board

Personal services	2,556,391
Operating expenses	410,259
Grants	<u>100,000</u>
Total	3,066,650
Source of funds	
General fund	607,606
Special funds	<u>2,459,044</u>
Total	3,066,650

Sec. B.714 Total natural resources

Source of funds	
General fund	28,026,319
Special funds	44,935,047
Fish and wildlife fund	9,329,826
Federal funds	44,673,537
Interdepartmental transfers	7,754,401
Permanent trust funds	<u>75,621</u>
Total	134,794,751

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	3,175,456
Operating expenses	1,206,988
Grants	<u>3,537,627</u>
Total	7,920,071
Source of funds	
General fund	3,707,045
Special funds	4,059,800

Interdepartmental transfers	<u>153,226</u>
Total	7,920,071
Sec. B.801 Economic development	
Personal services	2,054,952
Operating expenses	930,788
Grants	<u>3,729,403</u>
Total	6,715,143
Source of funds	
General fund	4,602,224
Special funds	555,350
Federal funds	<u>1,557,569</u>
Total	6,715,143
Sec. B.802 Housing & community development	
Personal services	3,643,631
Operating expenses	786,231
Grants	<u>4,258,021</u>
Total	8,687,883
Source of funds	
General fund	2,627,105
Special funds	4,490,916
Federal funds	1,468,739
Interdepartmental transfers	<u>101,123</u>
Total	8,687,883
Sec. B.804 Community development block grants	
Grants	<u>6,326,320</u>
Total	6,326,320
Source of funds	
Federal funds	<u>6,326,320</u>
Total	6,326,320
Sec. B.805 Downtown transportation and capital improvement fund	
Personal services	98,581
Grants	<u>335,151</u>
Total	433,732
Source of funds	
Special funds	<u>433,732</u>
Total	433,732

Sec. B.806 Tourism and marketing

Personal services	1,162,803
Operating expenses	1,792,070
Grants	<u>150,380</u>
Total	3,105,253
Source of funds	
General fund	3,075,253
Interdepartmental transfers	<u>30,000</u>
Total	3,105,253

Sec. B.807 Vermont life

Personal services	715,174
Operating expenses	<u>47,849</u>
Total	763,023
Source of funds	
Enterprise funds	<u>763,023</u>
Total	763,023

Sec. B.808 Vermont council on the arts

Grants	<u>675,307</u>
Total	675,307
Source of funds	
General fund	<u>675,307</u>
Total	675,307

Sec. B.809 Vermont symphony orchestra

Grants	<u>149,687</u>
Total	149,687
Source of funds	
General fund	<u>149,687</u>
Total	149,687

Sec. B.810 Vermont historical society

Grants	<u>996,945</u>
Total	996,945
Source of funds	
General fund	<u>996,945</u>
Total	996,945

Sec. B.811 Vermont housing and conservation board

Grants	<u>30,839,032</u>
Total	30,839,032
Source of funds	

Special funds	12,150,447
Federal funds	<u>18,688,585</u>
Total	30,839,032
Sec. B.812 Vermont humanities council	
Grants	<u>225,959</u>
Total	225,959
Source of funds	
General fund	<u>225,959</u>
Total	225,959
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	16,059,525
Special funds	21,690,245
Federal funds	28,041,213
Interdepartmental transfers	284,349
Enterprise funds	<u>763,023</u>
Total	66,838,355
Sec. B.900 Transportation - finance and administration	
Personal services	11,835,039
Operating expenses	2,732,631
Grants	<u>55,000</u>
Total	14,622,670
Source of funds	
Transportation fund	13,520,910
Federal funds	<u>1,101,760</u>
Total	14,622,670
Sec. B.901 Transportation - aviation	
Personal services	3,502,776
Operating expenses	14,029,319
Grants	<u>204,000</u>
Total	17,736,095
Source of funds	
Transportation fund	4,929,552
Federal funds	<u>12,806,543</u>
Total	17,736,095
Sec. B.902 Transportation - buildings	
Operating expenses	<u>1,900,000</u>
Total	1,900,000

Source of funds	
Transportation fund	<u>1,900,000</u>
Total	1,900,000
Sec. B.903 Transportation - program development	
Personal services	53,313,749
Operating expenses	193,926,320
Grants	<u>40,242,156</u>
Total	287,482,225
Source of funds	
Transportation fund	39,895,056
TIB fund	8,198,136
Federal funds	238,291,275
Interdepartmental transfers	239,345
Local match	<u>858,413</u>
Total	287,482,225
Sec. B.904 Transportation - rest areas construction	
Personal services	42,274
Operating expenses	<u>620,726</u>
Total	663,000
Source of funds	
Transportation fund	79,774
Federal funds	<u>583,226</u>
Total	663,000
Sec. B.905 Transportation - maintenance state system	
Personal services	43,638,652
Operating expenses	45,265,393
Grants	<u>421,780</u>
Total	89,325,825
Source of funds	
Transportation fund	87,376,083
Federal funds	1,849,742
Interdepartmental transfers	<u>100,000</u>
Total	89,325,825
Sec. B.906 Transportation - policy and planning	
Personal services	3,804,950
Operating expenses	707,135
Grants	<u>6,084,347</u>
Total	10,596,432
Source of funds	

Transportation fund	2,706,491
Federal funds	7,755,912
Interdepartmental transfers	<u>134,029</u>
Total	10,596,432
Sec. B.907 Transportation - rail	
Personal services	6,410,380
Operating expenses	<u>30,670,870</u>
Total	37,081,250
Source of funds	
Transportation fund	18,935,869
TIB fund	2,840,249
Federal funds	15,269,507
Interdepartmental transfers	<u>35,625</u>
Total	37,081,250
Sec. B.908 Transportation - public transit	
Personal services	1,137,749
Operating expenses	120,263
Grants	<u>30,874,145</u>
Total	32,132,157
Source of funds	
Transportation fund	7,955,199
Federal funds	<u>24,176,958</u>
Total	32,132,157
Sec. B.909 Transportation - central garage	
Personal services	4,459,194
Operating expenses	<u>15,595,717</u>
Total	20,054,911
Source of funds	
Internal service funds	<u>20,054,911</u>
Total	20,054,911
Sec. B.910 Department of motor vehicles	
Personal services	18,395,579
Operating expenses	<u>10,906,337</u>
Total	29,301,916
Source of funds	
Transportation fund	27,773,478
Federal funds	1,423,438
Interdepartmental transfers	<u>105,000</u>
Total	29,301,916

Sec. B.911 Transportation - town highway structures

Grants	<u>6,333,500</u>
Total	6,333,500
Source of funds	
Transportation fund	<u>6,333,500</u>
Total	6,333,500

Sec. B.912 Transportation - town highway local technical assistance program

Operating expenses	71,627
Grants	<u>329,066</u>
Total	400,693
Source of funds	
Transportation fund	100,693
Federal funds	<u>300,000</u>
Total	400,693

Sec. B.913 Transportation - town highway class 2 roadway

Grants	<u>7,848,750</u>
Total	7,848,750
Source of funds	
Transportation fund	<u>7,848,750</u>
Total	7,848,750

Sec. B.914 Transportation - town highway bridges

Personal services	3,349,613
Operating expenses	13,074,396
Grants	<u>100,000</u>
Total	16,524,009
Source of funds	
Transportation fund	1,111,449
TIB fund	1,156,927
Federal funds	13,488,269
Local match	<u>767,364</u>
Total	16,524,009

Sec. B.915 Transportation - town highway aid program

Grants	<u>25,982,744</u>
Total	25,982,744
Source of funds	
Transportation fund	<u>25,982,744</u>
Total	25,982,744

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Operating expenses	150,000
Grants	<u>7,632,342</u>
Total	7,782,342
Source of funds	
Transportation fund	1,240,000
Special funds	1,100,000
Federal funds	<u>5,442,342</u>
Total	7,782,342

Sec. B.920 Transportation - public assistance grant program

Operating expenses	640,000
Grants	<u>5,000,000</u>
Total	5,640,000
Source of funds	
Transportation fund	160,000
Special funds	2,000,000
Federal funds	3,000,000
Interdepartmental transfers	<u>480,000</u>
Total	5,640,000

 Sec. B.921 Transportation board

Personal services	205,657
Operating expenses	<u>28,093</u>
Total	233,750
Source of funds	
Transportation fund	<u>233,750</u>
Total	233,750

Sec. B.922 Total transportation

Source of funds	
Transportation fund	249,382,048
TIB fund	12,195,312
Special funds	3,100,000
Federal funds	325,648,972
Internal service funds	20,054,911
Interdepartmental transfers	1,093,999
Local match	<u>1,625,777</u>
Total	613,101,019

Sec. B.1000 Debt service

Operating expenses	<u>80,833,039</u>
Total	80,833,039
Source of funds	
General fund	75,489,703
Transportation fund	1,709,452
ARRA funds	1,130,146
TIB debt service fund	<u>2,503,738</u>
Total	80,833,039

Sec. B.1001 Total debt service

Source of funds	
General fund	75,489,703
Transportation fund	1,709,452
ARRA funds	1,130,146
TIB debt service fund	<u>2,503,738</u>
Total	80,833,039

 Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND
 TRANSFERS

(a) In fiscal year 2018, \$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 \$1,605,400 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$1,045,400 is transferred to the 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 Development 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 \$30,000 as follows:

(A) Large animal veterinarians' loan forgiveness. 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.

(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 2019 NEXT GENERATION FUND
DISTRIBUTION

(a) The Department of Labor, in coordination with the Agencies of Commerce and Community Development, of Human Services, and of Education, and in consultation with the State Workforce Development Board, shall recommend to the Governor on or before December 1, 2017 how \$2,909,900 from the Next Generation Initiative Fund should be allocated or appropriated in fiscal year 2019 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.1101 FISCAL YEAR 2018 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) Agency of Commerce and Community Development: The sum of \$500,000 is appropriated to the Secretary of Commerce and Community Development for economic development initiatives.

(1) The funds appropriated in this subsection shall be used as follows:

(A) The sum of \$150,000.00 to the Vermont Small Business Development Center for the purpose of increasing the number of business advisors in the State, with priority for underserved regions.

(B) The sum of \$100,000.00 shall be transferred to the Office of Economic Opportunity for pass-through grants to the Community Action Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722.

(C) The sum of \$250,000 to expand Vermont's coordinated marketing efforts to implement the Department of Economic Development's economic development marketing plan.

(b) Department for Children and Families: The sum of \$600,000 is appropriated to the Department for Children and Families to be used to

facilitate the development of two seasonal warming shelters, one in Rutland and one in Barre to be in place for the 2017-2018 heating season. The Secretary of Human Services and the Commissioner for Children and Families shall work with hospitals and community organizations to access additional funding, matching funds, and in-kind contributions, and to facilitate siting to expand shelter availability throughout other regions of the State. A report on projected shelter availability for the 2017-2018 heating season shall be submitted to the Legislative Joint Fiscal Committee on or before November 15, 2017.

(c) Vermont State Colleges: The sum of \$880,000 is appropriated to the Vermont State Colleges to pay the second of three installments to support the unification of Johnson and Lyndon State Colleges into the new Northern Vermont University.

(d) Agency of Agriculture, Food and Markets: The sum of \$25,000 is appropriated to the Agency of Agriculture, Food and Markets to support the Farms 2+2 Program.

(e) Agency of Agriculture, Food and Markets: The sum of \$75,000 is appropriated to the Agency of Agriculture, Food and Markets for a grant to Rural Development.

(f) Department of Buildings and General Services: The sum of \$27,000 is appropriated to the Department of Buildings and General Services to support the operating expenses of the Bennington Welcome Center. For subsequent fiscal years, operating expenses of the Bennington Welcome Center shall not be supported with supplemental appropriations in addition to the amounts requested by the Department of Buildings and General Services and approved by the General Assembly in the annual appropriations bill.

Sec. B.1102 FISCAL YEAR 2018 MANAGEMENT SAVINGS

(a) The Secretary of Administration shall reduce fiscal year 2018 appropriations and make transfers to the General Fund for a total of \$5,000,000. The Administration is not limited to the following proposals to achieve this target, but shall analyze the following for fiscal year 2018 budgetary savings:

(1) the elimination of exempt positions;

(2) savings identified through improved business processes and administrative efficiencies;

(3) administrative or contractual reductions, including savings from improved systems of procurement;

(4) savings in State employee health care costs through increased price awareness as specified in the pilot project in Sec. E.108 of this act;

(5) the Agency of Human Services shall review and quantify savings from improved oversight and fiscal controls in order to prevent fraud and overpayment related to personal care services reimbursed by the Departments;

(6) review of statewide operating expenses that include:

(A) physical space needs statewide for potential reduction of leased space or divestment of owned real estate where appropriate,

(B) examination of the alignment of the cost control incentives or disincentives in the State's largest internal service fund programs, including fee for space, and innovation and information charges.

(C) telecommunication services, postage equipment, and other equipment rentals.

(b) The Department of Corrections shall be held harmless from the savings target above due to Corrections specific existing savings targets contained elsewhere in this act.

(c) Savings proposals identified by the Administration to meet the target in subsection (a) of this section shall be multi-year in nature to the greatest extent possible. The Administration shall provide the fully annualized savings for any proposals that require more time to be fully implemented:

(d) The Secretary shall submit a written report of the appropriations reductions and transfers to the Joint Fiscal Committee in November 2017. The report shall include:

(1) the proposed budgetary changes by agency and department and funding source,

(2) the short- and long-term implications to individuals, organizations, or State systems of each proposed change;

(3) if any identified savings are only one-time in nature, the associated longer term actions that the Secretary recommends to make the savings continue into future years or become permanent; and

(4) if any recommendations include specific statutory changes, these shall be summarized in the report and presented in full to the House and Senate Committees on Appropriations and other relevant standing committees during the 2018 legislative session.

Sec. B.1103 [DELETED]

Sec. B.1104 [DELETED]

Sec. B.1105 [DELETED]

Sec. B.1106 [DELETED]

Sec. B.1107 [DELETED]

Sec. C.100 FISCAL YEAR 2017 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2017, the sum of \$1,930,000 in general funds is appropriated to the Secretary of Administration to be carried forward into fiscal year 2018 for distribution to departments to provide funding for changes in employee classification occurring in fiscal year 2017 that are approved in accordance with the collective bargaining agreements.

(b) In fiscal year 2017, the sum of \$323,826 in general funds is appropriated to the Judiciary for retroactive docket clerk reclassification.

(c) In fiscal year 2017, the sum of \$245,246 in general funds is appropriated to the Attorney General to be carried forward into fiscal year 2018 for tobacco master settlement arbitration or litigation.

(d) In fiscal year 2017, the sum of \$100,000 is appropriated to the Agency of Agriculture, Food and Markets to be carried forward for fiscal year 2018 one-time expenditure by the Vermont Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and service providers 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.

(e) In fiscal year 2017, the Agency of Human Services shall reserve and carry forward to fiscal year 2018 \$1,250,000 of the general funds appropriated in 2016 Acts and Resolves No. 172, Sec. B.301 as amended by 2017 Acts and Resolves No. 3, Sec. 18. The Commissioner of Finance and Management is authorized to adjust fiscal year 2017 Federal Fund and Global Commitment Fund appropriations in the Agency of Human Services and Department of Health Access to comport with this requirement.

(f) In fiscal year 2017, the sum of \$1,800,000 in general funds is appropriated to the Department of Public Safety to provide upfront funding to purchase police cameras as part of the Vermont State Police Camera Project. The full project will include equipment, maintenance, and warranty costs.

(g) In fiscal year 2017, the sum of \$300,000 in general funds is appropriated to the Department of Buildings and General Services to provide funds for activities to repurpose the Southeast State Correctional Facility located in Windsor, Vermont as presented in Sec. E. 35.1 of this act.

(h) In fiscal year 2017, the sum of \$250,000 in general funds to the Secretary of Administration for a one-time grant to the Vermont Law School.

This grant will provide a State match toward the \$5,000,000 hybrid residential and online program designed to attract new groups of national and international students to enroll in Vermont-based programs.

Sec. C.101 2017 Acts and Resolves No. 3, Sec. 60 is amended to read

Sec. 60. FUND TRANSFERS

(a) Notwithstanding any provision of law to the contrary, in fiscal year 2017:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

21054	Misc. Fines & Penalties	442,849.77
21065	Financial Institute Supervision	728,499.86
21405	Bond Investment Earnings Fund	161,100.90
21550	Land & Facilities Trust Fund	450,000.00
21641	AG – Administrative Special Fund	30,848.02
21638	AG – Fees & Reimbursements -Court Order	(est.) 2,400,000.00
22005	AHS Central Office earned federal receipts	28,040,542.00
50300	Liquor Control Fund	955,000.00
	Caledonia Fair	5,000.00
	North Country Hospital Loan	24,250.00

(2) All or a portion of the unencumbered balances in the Insurance Regulatory and Supervision Fund (Fund Number 21075), the Captive Insurance Regulatory and Supervision Fund (Fund Number 21085), and the Securities Regulatory and Supervision Fund (Fund Number 21080) expected to be approximately ~~\$22,452,018~~ \$22,732,018 shall be transferred to the General Fund, provided that on or before July 1, 2017, the Commissioner of Financial Regulation certifies to the Joint Fiscal Committee that the transfer of such balances, or any smaller portion deemed proper by the Commissioner, will not impair the ability of the Department in fiscal year 2018 to provide thorough, competent, fair, and effective regulatory services, or maintain accreditation by the National Association of Insurance Commissioners; and that the Joint Fiscal Committee does not reject such certification.

(3) The following amounts shall be transferred from the General Fund to the funds indicated:

21275	Environmental Contingency Fund	500,000.00
21555	Emergency Relief and Assistance Fund	1,176,226.00 <u>2,632,014.00</u>
59500	Single Audit Revolving Fund	196,169.00

* * *

C.101.1 VOLKSWAGEN SETTLEMENT

(a) The multi-state settlement from Volkswagen of \$4,200,000 received by the State of Vermont in fiscal year 2017, or in a subsequent year, shall be transferred to the Environmental Fund (account 21275).

Sec. C.102 2017 Acts and Resolves No. 3, Sec. 62 is amended to read:

Sec. 62. EXPENDITURE OF HUMAN SERVICES CASELOAD MANAGEMENT RESERVE

~~(a) In fiscal year 2017, \$3,738,117 from the General Fund is appropriated to the Commissioner of Finance and Management for transfer to the Agency of Human Services — Global Commitment to ensure sufficient funding for Global Commitment during fiscal year 2017. Prior to the close of fiscal year 2017, the Commissioner shall determine the amount needed for transfer, and shall provide a written report to the Joint Fiscal Committee of the determination and the amount transferred. Any funds remaining in this appropriation and not transferred shall revert to the General Fund in fiscal year 2017.~~

~~(b) The amount of funds appropriated in subsection (a) of this section shall be unreserved from the Human Services Caseload Reserve established in 32 V.S.A. § 308b. The funds reverted in subsection (a) of this section shall be reserved in the Human Services Caseload Reserve.~~

(a) The amount of \$3,738,117 general funds shall be unreserved from the Human Services Caseload Management reserve established in 32 V.S.A. § 308b.

(b) At the close of fiscal year 2017 and after meeting the requirements of Sec. C.100(e) of this act, an amount up to \$3,738,117 of any unencumbered General Fund appropriation in Sec. B.301 of this act that would otherwise be authorized to carry forward shall revert to the General Fund and be reserved in the Human Services Caseload Management Reserve established in 32 V.S.A. § 308b.

Sec. C.103 FISCAL YEAR 2017 27/53 RESERVE FUNDING SOURCE TRANSFER

(a) Notwithstanding 2016 Acts and Resolves No. 172, Sec. B.1104 or any other provision of law to the contrary, any General Fund amount to be reserved in fiscal year 2017 in the 27/53 Reserve created in 32 V.S.A. § 308e shall be unreserved.

(b) In fiscal year 2017, \$5,287,591 shall be transferred from the Global Commitment Fund to the General Fund to be reserved in the 27/53 Reserve created in 32 V.S.A. § 308e.

Sec. C.103.1 2016 Acts and Resolves No. 172, Sec. B.301 as amended by 2017 Acts and Resolves No. 3, Sec. 18 is further amended to read:

Sec. B.301 Secretary's office - global commitment

Operating expenses	5,529,495	5,529,495
Grants	<u>1,596,194,550</u>	<u>1,592,456,433</u>
Total		<u>1,601,724,045</u>
1,597,985,928		
Source of funds		
General fund	<u>284,257,664</u>	280,519,547
Special funds	28,263,866	28,263,866
Tobacco fund	29,716,875	29,716,875
State health care resources fund	297,599,293	297,599,293
Federal funds	961,846,347	961,846,347
Interdepartmental transfers	<u>40,000</u>	<u>40,000</u>
Total		<u>1,601,724,045</u>
1,597,985,928		

Sec. C.104 2016 Acts and Resolves No. 172, Sec. B.345 as amended by 2017 Acts and Resolves No. 3, Sec. 45 is further amended to read:

Sec. B.345 Green Mountain Care Board

Personal services	<u>8,736,409</u>	9,131,409
Operating expenses	<u>1,230,995</u>	<u>835,995</u>
Total	9,967,404	9,967,404
Source of funds		
General fund	1,401,276	1,401,276
Special funds	2,342,927	2,342,927
Federal funds	448,808	448,808
Global Commitment fund	4,281,832	4,281,832
Interdepartmental transfers	<u>1,492,561</u>	<u>1,492,561</u>
Total		9,967,404
9,967,404		

Sec. C.104.1 2016 Acts and Resolves No. 172, Sec. B.346 as amended by 2017 Acts and Resolves No. 3, Sec. 46 is further amended to read:

Sec. B.346 Total human services

Source of funds		
General fund	<u>693,886,463</u>	697,624,580
Special funds	99,545,755	99,545,755
Tobacco fund	33,550,914	33,550,914
State health care resources fund	297,599,293	297,599,293
Education fund	3,109,463	3,109,463

Federal funds	1,391,826,777	1,391,826,777
Global Commitment fund	1,540,769,628	1,540,769,628
Internal service funds	1,908,035	1,908,035
Interdepartmental transfers	24,664,768	24,664,768
Permanent trust funds	<u>25,000</u>	<u>25,000</u>
Total		4,086,886,096
4,090,624,213		

Sec. C.105 2016 Acts and Resolves No. 172, Sec. B.1000 as amended by 2017 Acts and Resolves No. 3, Sec. 58 is further amended to read:

Sec. B.1000 Debt service		
Operating expenses	<u>76,991,491</u>	<u>76,991,491</u>
Total		76,991,491
76,991,491		
Source of funds		
General fund	71,120,080	71,120,080
Transportation fund	1,884,089	1,884,089
Special funds	336,000	336,000
ARRA funds	<u>1,149,919</u>	1,149,909
TIB debt service fund	<u>2,501,413</u>	<u>2,501,413</u>
Total		76,991,491
76,991,491		

Sec. C.106 2016 Acts and Resolves No. 172, Sec. B.1001 as amended by 2017 Acts and Resolves No. 3, Sec. 59 is further amended to read:

Sec. B.1001 Total debt service		
Source of funds		
General fund	71,120,080	71,120,080
Transportation fund	1,884,089	1,884,089
Special funds	336,000	336,000
ARRA funds	<u>1,149,919</u>	1,149,909
TIB debt service fund	<u>2,501,413</u>	<u>2,501,413</u>
Total		76,991,491
76,991,491		

Sec. C.107 2016 Acts and Resolves No. 172, Sec. B.514 is amended to read:

Sec. B.514 State teachers' retirement system		
Grants	<u>78,959,576</u>	<u>78,659,576</u>
Total	<u>78,959,576</u>	<u>78,659,576</u>
Source of funds		
General fund	<u>78,959,576</u>	78,659,576
Total	<u>78,959,576</u>	<u>78,659,576</u>

Sec. C.108 2016 Acts and Resolves No. 172, Sec. B.515 is amended to read:

Sec. B.515 Retired teachers' health care and medical benefits		
Grants	<u>22,022,584</u>	<u>22,322,584</u>
Total	<u>22,022,584</u>	<u>22,322,584</u>
Source of funds		
General fund	<u>22,022,584</u>	<u>22,322,584</u>
Total	<u>22,022,584</u>	<u>22,322,584</u>

Sec. C.109 2016 Acts and Resolves No. 172, Sec. E.514 is amended to read:

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~~ \$78,659,576 shall be the State's contribution and ~~\$3,700,000~~ \$4,000,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

Sec. C.110 2016 Acts and Resolves No. 172, Sec. E.515 is amended to read:

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$22,022,584~~ \$22,322,584 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. C.111 32 V.S.A. § 131 is amended to read:

§ 131. COMPOSITION

There shall be an Emergency Board to consist of the Governor, the Chair of the Senate Committee on Finance, the Chair of the Senate Committee on Appropriations, the Chair of the House Committee on Ways and Means, and the Chair of the House Committee on Appropriations; but the Chair of any one of such committees may designate a member of his or her committee who shall be a member of such Board in lieu of the Chair. The Board shall meet at the call of the Governor or a majority of the legislative members of the Board.

Sec. C.112 32 V.S.A. § 306 is amended to read:

§ 306. BUDGET REPORT

(a) The Governor shall submit to the General Assembly, not later than the third Tuesday of every annual session, a budget which shall embody his or her estimates, requests, and recommendations for appropriations or other authorizations for expenditures from the State Treasury. In the first year of the biennium, the budget shall relate to the two succeeding fiscal years. In the second year of the biennium, it shall relate to the succeeding fiscal year. The

budget shall be based upon the official State revenue estimates, including the Medicaid estimated caseloads and per-member per-month expenditures, adopted by the Emergency Board pursuant to section 305a of this title.

* * *

Sec. C.113 2017 Acts and Resolves No. 3, Sec. 68(a) is amended to read:

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, ~~and~~ Education Fund, Clean Water Fund (Fund 21932), and Agricultural Water Quality Fund (Fund 21933) appropriations remaining unexpended on June 30, 2017 in the Executive Branch of State government shall be carried forward and shall be designated for expenditure.

Sec. C.114 2016 Acts and Resolves No. 172, Sec. B.1106(b) as amended by 2017 Acts and Resolves No. 3, Sec. 70 is further amended to read:

(b) The Secretary of Administration shall reduce fiscal year 2017 appropriations and make transfers to the General Fund for a total of \$343,369. Savings in the amount of \$206,631 are included in the fiscal year 2017 budget adjustment for a total savings of \$550,000. The remaining appropriations and transfers for savings ~~associated with positions abolished in subsection (a) of this section~~ shall be made prior to close out of fiscal year 2017 and be reported to the Joint Fiscal Committee at the July 2017 meeting.

Sec. C 115 GENERAL FUND YEAR END CLOSE OUT

(a) In fiscal years 2017 and 2018, after satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met, the provisions of 32 V.S.A. § 308c(a)(1)-(3) shall not be applied, and any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve.

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, established in 10 V.S.A. § 122.

Sec. D.100.1 REPEAL

(a) 2011 Acts and Resolves No. 45, Secs. 35 (repeal of change in allocation of property transfer tax revenue) and 37(10), as amended by 2016 Acts and Resolves No. 172, Sec. D.100.1 (effective date of change in allocation of property transfer tax revenue) are repealed.

Sec. D.101 FISCAL YEAR 2018 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: \$1,225,000.

(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 2019 transportation infrastructure bonds debt service: \$2,504,688.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2018:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>21550</u>	<u>Land & Facilities Trust Fund</u>	<u>429,000.00</u>
<u>21638</u>	<u>AG-Fees & Reimbursements-Court Order</u>	<u>2,000,000.00</u>
<u>21909</u>	<u>Tax Computer System Modernization</u>	<u>798,808.00</u>
<u>21937</u>	<u>GMCB Regulatory and Admin Fund</u>	<u>850,000.00</u>
<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>32,165,542.00</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>955,000.00</u>
	<u>Caledonia Fair</u>	<u>5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>24,250.00</u>

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2018:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

<u>1210001000</u>	<u>Legislative Council</u>	<u>150,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>385,000.00</u>
<u>1230001000</u>	<u>Sergeant at Arms</u>	<u>19,000.00</u>
<u>7120890704</u>	<u>International Trade Commission</u>	<u>7,711.88</u>

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 2017 in the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a shall remain for appropriation in fiscal year 2018.

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 2018 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2018 is not negative shall be transferred in fiscal year 2018 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 HUMAN SERVICES CASELOAD MANAGEMENT RESERVE

(a) The sum of \$12,000,000 shall be reserved from the General Fund in the Human Services Caseload Management Reserve established in 32 V.S.A. § 308b.

Sec. D.105 [DELETED]

Sec. D.106 USE OF HEALTH IT FUND BALANCE

(a) Notwithstanding 32 V.S.A. § 10301(a), the Agency of Human Services may expend \$2,000,000 of Health IT-Funds as State match for Global Commitment program expenditures in fiscal year 2018 and the sum of \$500,000 is transferred from the Health IT-Fund to the Rainy Day Reserve. It is the intent of the General Assembly to expend an additional \$2,000,000 from the Health IT-Fund as State match for Global Commitment program expenditures in fiscal year 2019.

Sec. D.107 FISCAL YEAR 2018 TRANSFER TO THE 27/53 RESERVE

(a) In fiscal year 2018, notwithstanding any other provision of law to the contrary, in order to meet the Medicaid 53rd week reserve requirement of the 27/53 Reserve, the sum of \$1,700,000 shall be transferred from the Global Commitment Fund to the General Fund to be reserved in the 27/53 Reserve created in 32 V.S.A. § 308e.

* * * GENERAL GOVERNMENT * * *

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent classified positions is authorized in fiscal year 2018:

(1) In the Agency of Agriculture, Food and Markets – one (1) Microbiologist.

(2) In the Department of Taxes – two (2) Tax Examiner.

(b) The establishment of the following new permanent exempt position is authorized in fiscal year 2017 as follows:

(1) In the Department of State's Attorneys – one (1) Labor Relations Manager. This position shall be transferred and converted from existing vacant position number 267186 within the Department of State's Attorneys.

(c) The establishment of the following new classified limited services positions is authorized in fiscal year 2017:

(1) In the Department of Military – three (3) Security Guard.

(d) The positions established in this section shall be transferred and converted from existing vacant positions in the Executive Branch, and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No.4, Sec. 74, and 2016 Acts and Resolves No.172, Sec. E.100.2, 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 Agency of Natural Resources, the Department of Buildings and General Services, the Department of Labor, ~~and the Department of Corrections, and the Department of Public Safety~~ 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.

(7) This Pilot shall sunset on July 1, ~~2017~~ 2018, unless extended or modified by the General Assembly.

(8) On or before January 15, 2018 the Commissioner of Human Resources shall provide a report by department on the total number of positions created under the authority of this section to the House and Senate Committees on Appropriations. The Commissioner shall include in the report a recommendation on whether this program should be expanded and continue and, if so, should it be extended but remain in session law or be made permanent by codification in statute.

Sec. E.100.2 REPEAL

(a) 3 V.S.A. § 2222a is repealed.

Sec. E.108 PILOT PROGRAM FOR HIGH-QUALITY, LOWER-COST HEALTH CARE SERVICES; STATE EMPLOYEES' HEALTH BENEFIT PLAN

(a) The Department of Human Resources, in consultation with the Vermont State Employees' Association, shall establish a pilot program in calendar year 2018 to encourage State employees and their dependents who are enrolled in the State employees' health benefit plan to use high-quality, lower-cost health care providers. The pilot program shall:

(1) identify 10 nonemergency health care services for which members of the State employees' health benefit plan have high utilization rates and for which there are significant variations in prices among high-quality providers in Vermont and neighboring states;

(2) provide financial incentives to encourage State employees and their dependents to voluntarily select health care providers for the identified health care services that are located within a reasonable driving distance of the employee's or dependent's home or office and that offer high-quality services at a lower cost than other providers in the same geographic region; and

(3) use tools available through the administrator of the State employees' health benefit plan to assist employees and their dependents in selecting high-quality providers located within a reasonable driving distance that offer the relevant services at lower costs.

(b) On or before January 15, 2019, the Commissioner of Human Resources shall report the results of the pilot program and recommendations for further study or implementation to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. E.108.1 CLASSIFICATION SYSTEM PLANNING

(a) As a continuation of classification system analysis begun pursuant to 2015 Acts and Resolves No. 58, Sec. E.100.1, the Department of Human Resources shall issue an RFI for consultant services to assist the Department with needs assessment, expertise, and project planning necessary to procure a new Classification and Compensation system.

(b) A new Classification and Compensation system shall allow the State to:

(1) develop a broader classification system, utilizing fewer job classifications;

(2) utilize a more modern, flexible, transparent system for managing job evaluation and placement within the classified system; and

(3) provide a contemporary, flexible, easy to understand system for managing pay that effectively combines recognition of competencies, experience or longevity, or both, market parity, and excellence in performance.

(c) The Department shall submit a status report to the General Assembly not later than January 31, 2018 that identifies progress in planning for the development and implementation of a new Classification and Compensation system.

Sec. E.108.2 3 V.S.A. § 310(a) is amended to read:

(a) The Department of Human Resources shall adopt a uniform and equitable plan of classification for each position within State service, now or hereafter created, including positions within the Department of Public Safety, except those positions expressly excluded by section 311 of this title or by other provisions of law. For purposes of internal position alignment and assignment of positions to salary ranges, the plan shall be based upon a ~~point~~

~~factor~~ job content comparison method of job evaluation. As used in this section, “~~point factor~~ job content comparison method” means a system under which positions are assigned to salary ranges based on a scale of values against which job evaluations of individual positions are compared.

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.111.1 [DELETED]

Sec. E.113 Buildings and general services – engineering

(a) The \$3,537,525 interdepartmental transfer in this appropriation shall be from the General Bond Fund appropriation in the Capital Bill of the 2017 legislative session.

Sec. E.126 [DELETED]

Sec. E.126.1 [DELETED]

Sec. E.127 [DELETED]

Sec. E.127.1 [DELETED]

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2018, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$26,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. in the State of Vermont. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

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.

(b) Total payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, in fiscal year 2018 to be paid from the PILOT Special Fund under 32 V.S.A. § 3709 include the appropriation of \$7,211,000 in Sec. B.142 of this act, the appropriation of \$184,000 for the City of Montpelier in Sec. B.143 of this act, the appropriation of \$40,000 for correctional facilities in Sec. B.144 of this act, and the appropriation of \$146,000 for the supplemental facility payments from the Department of Corrections to the City of Newport and the Town of Springfield in Sec. B.338 of this act.

Sec. E.143 Payments in lieu of taxes – Montpelier

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 Payments in lieu of taxes – correctional facilities

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * PROTECTION TO PERSONS AND PROPERTY * * *

Sec. E.200 Attorney general

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,115,500 is appropriated in Sec. B.200 of this act.

Sec. E.204 REPEAL; EXTENSION

(a) 2016 Acts and Resolves No.167, Sec. 2 is amended to read:

Sec. 2. REPEAL

4 V.S.A. § 38 (Judicial Masters) shall be repealed on July 1, ~~2019~~ 2020.

Sec. E.204.1 Vermont Rule of Criminal Procedure 43(a) is amended to read:

(a) Presence Required.

(1) The defendant shall be present at the arraignment, at any subsequent time at which a plea is offered, at every stage of the trial including the

impaneling of the jury and the return of the verdict, and at the imposition of sentence, except as otherwise provided by this rule.

(2) Arraignments shall be in person and shall be on the record and shall not be performed by video conferencing or other electronic means unless the defendant consents. Notwithstanding this subdivision, video conferencing may be used to effect the appearance of the defendant at status conferences, calendar calls, and other proceedings where the presence of the defendant is not required by this rule.

Sec. E.204.2 JUDICIAL BRANCH POSITION AUTHORIZATIONS

(a) In the Judiciary, there is established the following new permanent classified positions:

(1) Two (2) Docket Clerk B.

(b) In the Judiciary there is established the following new permanent exempt position:

(1) One (1) Judicial Master pursuant to 4 V.S.A. § 38.

Sec. E.207 SHERIFFS' HOURLY PAYMENT PILOT

(a) Notwithstanding 32 V.S.A. § 1591(2)(A), during fiscal years 2018 and 2019 the Executive Director of the Department of State's Attorneys and Sheriffs may negotiate reimbursement rates for necessary assistance in arresting or transporting prisoners, juveniles, or persons with mental illness above \$18 per hour, but not to exceed \$22 per hour, provided that the fiscal year 2018 and 2019 budget amount for these expenses shall not exceed \$441,688 each year. This shall include the full actual costs of per diem deputies, including the hourly rate, Social Security expense, FICA, worker compensation, retirement, related unemployment costs, and other indirect expenses.

(b) On or before January 12, 2019, the Executive Director of the Department of State's Attorneys and Sheriffs shall submit a report to the House and Senate Committees on Judiciary and on Appropriations as to the actual monies spent, the impact on prison transport and the Departmental budget, and specific recommendations for proposed statutory changes and budgeted expenditures for the following fiscal years.

Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.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 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 victim services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victim Services shall transfer \$39,895 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 of 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.224 Agriculture, food and markets – agricultural development

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$805,352 in general funds is appropriated for expenditure by the Vermont Working Lands Enterprise Board established in 6 V.S.A. § 4606 for administrative expenses, and investments in food and forest system businesses and service providers 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.

Sec. E.233 ENERGY PLANNING SUPPORT; ALLOCATION OF COSTS

(a) During fiscal year 2018, the Commissioner of Public Service, in consultation with the Commissioner of Housing and Community Development, shall award the amount of \$300,000 to regional planning commissions established under 24 V.S.A. chapter 117 and to municipalities for the purpose of providing training under 2016 Acts and Resolves No. 174.

(b) In awarding funds under this section, the Commissioners shall consider the need and size of a municipality or region and the availability, if any, of other assistance, expertise, or funds to a municipality or region to implement 2016 Acts and Resolves No. 174.

(c) The Commissioner of Public Service shall allocate costs under subsection (a) of this section to the electric distribution utilities subject to its supervision under Title 30 of the Vermont Statutes Annotated based on their pro rata share of total Vermont retail kilowatt-hour sales for the previous fiscal year. Each of these utilities shall pay its allocation into the State Treasury at such time and in such manner as the Commissioner may direct.

Sec. E.234 [DELETED]

Sec. E.237 LIQUOR CONTROL WAREHOUSE; PRIVATIZATION;
MORATORIUM

(a) Notwithstanding any provision of law to the contrary, the Liquor Control Board and the Commissioner of Liquor Control shall not, prior to fiscal year 2019, enter into a privatization contract, as defined in 3 V.S.A. § 341, for the operation of the Liquor Control warehouse.

* * * 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 2018 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.1 POSITION TRANSFER

(a) The Director of Health Care Reform established in 2011 Acts and Resolves No. 48 Sec. 3b(e) is transferred from the Agency of Administration to the Agency of Human Services.

Sec. E.300.2 3 V.S.A. § 3027 is added to read:

§ 3027. HEALTH CARE SYSTEM REFORM; IMPROVING QUALITY
AND AFFORDABILITY

The Director of Health Care Reform in the Agency of Human Services shall be responsible for the coordination of health care system reform efforts among Executive Branch agencies, departments, and offices, and for coordinating with the Green Mountain Care Board established in 18 V.S.A. chapter 220.

Sec. E.300.3 18 V.S.A. § 9491(a) is amended to read:

(a) ~~The director of health care reform~~ Director of Health Care Reform in the ~~agency of administration~~ Agency of Human Services shall oversee the development of a current health care workforce development strategic plan that continues efforts to ensure that Vermont has the health care workforce necessary to provide care to all Vermont residents. ~~The director of health care reform~~ Director of Health Care Reform may designate an entity responsible for convening meetings and for preparing the draft strategic plan. The Green Mountain Care ~~board~~ Board established in chapter 220 of this title shall review the draft strategic plan and shall approve the final plan and any subsequent modifications.

Sec. E.300.4 18 V.S.A. § 9602(a) is amended to read:

(a) The Agency of ~~Administration~~ Human Services shall ~~establish~~ maintain the Office of the Health Care Advocate by contract with any nonprofit organization.

Sec. E. 300.5 18 V.S.A. § 9607(b)(3) is amended to read:

(3) The Green Mountain Care Board shall administer the bill back authority created in this subsection on behalf of the Agency of ~~Administration~~ Human Services 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.

Sec. E.300.6 18 V.S.A. § 9603(c) is amended to read:

(c) The Office of the Health Care Advocate shall be able to speak on behalf of the interests of health care and health insurance consumers and to carry out all duties prescribed in this chapter without being subject to any retaliatory action; provided, however, that nothing in this subsection shall limit the authority of the Agency of ~~Administration~~ Human Services to enforce the terms of the contract.

Sec. E.300.7 18 V.S.A. § 9604 is amended to read:

§ 9604. DUTIES OF STATE AGENCIES

All State agencies shall comply with reasonable requests from the Office of the Health Care Advocate for information and assistance. The Agency of ~~Administration~~ Human Services may adopt rules necessary to ensure the cooperation of State agencies under this section.

Sec. E.300.8 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.9 [DELETED]

Sec. E.300.10 [DELETED]

Sec. E.300.11 [DELETED]

Sec. E.300.12 [DELETED]

Sec. E.300.13 [DELETED]

Sec. E.300.14 REPEALS

(a) 2014 Acts and Resolves No. 158, Secs. 1–12 (relating to commitment of criminal defendant who is incompetent to stand trial because of traumatic brain injury) are repealed on July 1, 2017.

(b) 2016 Acts and Resolves No. 172, Sec. E.300.3.1 (delaying effective date for 2014 Acts and Resolves No. 158, Secs. 1-12 until July 1, 2018) is repealed on July 1, 2017.

Sec. E.300.15 COMMISSION ON OFFENDERS WITH MENTAL
ILLNESS; REPORT

(a) On or before September 15, 2018, the Commission on Offenders with Mental Illness shall report to the Justice Oversight Committee recommendations regarding how to define traumatic brain injury for purposes of determining whether as the result of such an injury a criminal defendant was

insane at the time of the offense or is incompetent to stand trial. The Commission's report shall identify appropriate treatment options and venues for criminal defendants with traumatic brain injury and shall include the amount of funding required to implement the Commission's recommendations.

Sec. E.300.16 AGENCY OF HUMAN SERVICES; ALIGNMENT OF CARE COORDINATION EFFORTS

(a) The Secretary of Human Services shall conduct a comprehensive review of the Agency's care coordination efforts, including the Vermont Chronic Care Initiative, the Blueprint for Health, the pediatric High Tech Home Care program, and Community Rehabilitation and Treatment, in order to align care coordination services across the Agency's programs and initiatives, reduce duplication of efforts, and ensure that care coordination services are delivered in a consistent manner in order to achieve the best results for Vermonters and to use resources efficiently.

Sec. E.301 Secretary's office – Global Commitment

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.301 of this act 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 \$27,258,791 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$23,371,400 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$27,128,600 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. 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) \$2,387,391 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(3) \$1,500,000 certified State match available from local designated mental health and developmental services agencies for costs consistent with

S.133 of 2017, An Act Relating to Examining Mental Health Care and Care Coordination.

Sec. E.301.1 FISCAL YEAR 2018 UNENCUMBERED GENERAL FUND
APPROPRIATION

(a) At the close of fiscal year 2018, an amount up to \$10,000,000 of any unencumbered General Fund appropriation in Sec. B.301 of this act that would otherwise be authorized to carryforward shall revert to the General Fund and be reserved in the Human Services Caseload Management Reserve established in 32 V.S.A. § 308b.

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to federal guidance and regulations. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2018, but only in the event that new federal guidance or regulations require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rule-making process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 33 V.S.A. § 1998(f)(3) is amended to read:

(3) To the extent feasible, the Board shall review all drug classes included in the preferred drug list at least every ~~12~~ 24 months and may recommend that the Commissioner make additions to or deletions from the preferred drug list.

Sec. E.306.2 MEDICAID PAYMENT ALIGNMENT

(a) It is the intent of the General Assembly that alignment of the various Medicaid provider payments, as funded in this act, support access to primary care, including access to independent primary care practices and appropriate mental health services statewide.

(b) In order to accomplish this, the Department of Vermont Health Access is authorized to make adjustments and transfers within the related appropriated amounts of fiscal year 2018 general funds for these line items in the aggregate as follows:

(1) Adjust the total DSH amount to a level no lower than \$27,488,781.

(2) Set a specific limit for annual DSH payments to an in-state academic postgraduate teaching facility within the DSH formula.

(3) Review and adjust current facility-based payments, and specifically evaluate any Medicaid payments that are above the payment from Medicare for the same service in order to further enhance primary care payments in fiscal year 2018.

(c) The Department of Vermont Health Care Access shall report to the Joint Fiscal Committee in September and November 2017 on any adjustments and transfers made under this authority.

Sec. E.307 2013 Acts and Resolves No. 79, Sec. 53(d), as amended by 2014 Acts and Resolves No. 179, Sec. E.307, as amended by 2015 Acts and Resolves No. 58, Sec. E.307, as amended by 2016 Acts and Resolves No. 172, Sec. E.307.3, is further amended to read:

(d) Secs. 31 (Healthy Vermonters) and 32 (VPharm) shall take effect on January 1, 2014, except that the Agency of Human Services may continue to calculate household income under the rules of the Vermont Health Access Plan after that date if the system for calculating modified adjusted gross income for the Healthy Vermonters and VPharm programs is not operational by that date, but ~~no~~ not later than December 31, ~~2017~~ 2018.

Sec. E.308 NURSING HOME MEDICAID RATES; CASE-MIX SCORES

(a) In order to ensure that eligible Vermont Medicaid beneficiaries have access to high-quality care nursing home services, the Commissioner of Disabilities, Aging, and Independent Living and the Director of the Division of Rate Setting in the Agency of Human Services shall review the Medicaid case-mix scores of nursing homes in Vermont in order to:

(1) determine their overall effectiveness in allocating Medicaid funds to nursing homes fairly; and

(2) assess the extent to which the case-mix scores adequately and appropriately reimburse nursing homes for caring for patients who exhibit challenging behaviors but who have little or no need for assistance with activities of daily living.

(b) The Commissioner and Director shall provide the findings from their assessment and any recommended changes to nursing home rate calculations to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare as part of the Agency of Human Services' fiscal year 2019 budget.

Sec. E.308.1 CHOICES FOR CARE

(a) In the Choices for Care program, "savings" means the difference remaining at the conclusion of fiscal year 2017 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 2017 total Choices for Care expenditure. The one percent shall function as a reserve to be used in the event of a fiscal need to freeze Moderate Needs Group enrollment. Savings shall be calculated by the Department of Disabilities, Aging, and Independent Living and reported to the Joint Fiscal Office.

(1) It is the intent of the General Assembly that the Department of Disabilities, Aging, and Independent Living only obligate funds for expenditures approved under current law.

(b)(1) Any funds appropriated for long-term care under the Choices for Care program shall be used for long-term services and supports to recipients. In using these funds, the Department of Disabilities, Aging, and Independent Living shall give priority for services to individuals assessed as having high and highest needs and meeting the terms and conditions of the Choices for Care 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) As part of its fiscal year 2018 budget adjustment presentation, the Department shall make recommendations regarding the allocation of any savings between home- and community-based provider rates, base funding to expand capacity to accommodate additional enrollees in home- and community-based services, and equitable funding of adult day providers, including whether some amount, up to 20 percent of the total savings, should be used to increase provider rates.

(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, 2017, 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) The Commissioner shall determine how to allocate any Choices for Care program savings available at the end of fiscal year 2017 and shall report to the Joint Fiscal Committee at the regularly scheduled September 2017 meeting on these allocations.

(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.308.2 [DELETED]

Sec. E.310 [DELETED]

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2018 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 not 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 2018, 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. Not 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 2018, 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 2018. Grant reporting shall include outcomes and results.

(b) Improving outcomes for pregnant women:

(1) Statistics from the Department of Health indicate that rates of women who smoke during pregnancy in Vermont are approximately twice the national average. Although the rates of pregnant women who smoke in Vermont decreased slightly between 2009 and 2014, there is opportunity to make additional progress on this very important health indicator. The Commissioner shall prioritize funding for tobacco cessation to address the rates of smoking among pregnant women by utilizing evidence-based best practices. Not less than \$50,000 of the funding for tobacco cessation and prevention activities in fiscal year 2018 shall be used to implement or expand evidence-based interventions intended to reduce tobacco use among pregnant women. The Commissioner shall report on the specific expenditure of this allocation by functional activity as part of the fiscal year 2019 budget presentation to the General Assembly.

(2) In consultation with Hunger Free Vermont, and representatives from community food shelf or nutrition focused organizations, prenatal and

postnatal health care providers, and child care providers, the Commissioner of Health shall develop and implement an outreach plan to Vermonters who are eligible but not enrolled in the Women, Infant and Children (WIC) program.

(3) The Commissioner shall report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare during fiscal year 2019 budget testimony on the progress made toward reducing the rates of pregnant women who smoke during pregnancy and improving the number of eligible WIC clients who enroll for services.

Sec. E.314 TRANSPORTING PATIENTS

(a) Beginning on July 1, 2017, any new or renewed contracts entered into by the Agency of Human Services with designated professionals or law enforcement officers for transport of persons pursuant to 18 V.S.A. § 7511 or the transport of children pursuant to 33 V.S.A. § 5123 shall include the requirement to comply with the Agency's policies on the use of restraints.

Sec. E.314.1 FISCAL YEAR 2018 INCREASED FUNDING SPECIFICATION

(a) The addition of \$9,800,000 is made consistent with S.133 of 2017 and shall be allocated to the Designated and Specialized Service Agencies (DA/SSA) to help stabilize the care delivery system and workforce employed by the DA/SSA. Funding shall be directed to the DA/SSA workforce, including those DAs that are preferred providers.

(b) The intent of the additional funding is to:

(1) improve access to services and utilization of programs when fully resourced;

(2) reduce reliance on emergency department use for nonemergent care;

(3) appropriately divert lower levels of care to community-based service programs that can effectively meet individual needs if fully resourced; and

(4) support improved outcomes for individuals and populations served.

(c) There is recognition that distinct populations served may present with co-occurring diagnoses and complex service needs that cross programs or departments within the Agency of Human Services. It is the expectation that the Departments of Mental Health (DMH); Disabilities, Aging, and Independent Living (DAIL); and Health - Division of Alcohol and Drug Abuse Programs (VDH/ADAP) will work, within a co-occurring treatment framework, to collaboratively coordinate the delivery of mental health, developmental, or substance abuse treatment services where and when appropriate.

Sec. E.314.2 DESIGNATED AND SPECIALIZED SERVICES AGENCY
MASTER GRANTS FOR MENTAL HEALTH SERVICES

(a) The Department of Mental Health shall use a portion of the additional funds appropriated by this act to develop new funding agreements with the designated and specialized service agencies or to modify existing funding agreements with those agencies to establish the parties' expectations with respect to the delivery of high-quality mental health services to Vermont residents and to identify measurable outcomes that the agencies shall be expected to achieve. Master grant agreements with the designated and specialized service agencies and all additional funding directed toward mental health treatment shall address the following:

(1) improving individual and population outcomes based on the Centers of Excellence framework developed by the designated and specialized service agencies, pending approval of the framework by the Agency of Human Services;

(2) training in and delivery of high-quality evidence-based, evidence-informed, and best practice clinical services and practices known to enhance professional development and that are intended to reduce overreliance on service delivery systems and on a paraprofessional workforce;

(3) increasing the focus on rehabilitation, recovery, and resilience-building for individuals and families, including wellness activities proven to improve health outcomes;

(4) developing and promoting training and competency expectations for the paraprofessional workforce and clinical staff who provide direct care services, as well as establishing clinical supervision thresholds for supervisory staff that support those expectations;

(5) expanding the integration of funding and service delivery for children's mental health and developmental disabilities among the designated and specialized service agencies and between the Departments of Mental Health and of Disabilities, Aging, and Independent Living;

(6) reducing direct care staff turnover in order to enhance programmatic stability for individuals receiving services;

(7) tracking turnover rates for direct care, clinical, and administrative staff using benchmark data to the extent available and establishing reliable trend analyses to inform future workforce development; and

(8) establishing benchmarks measuring progress toward integrating the designated and specialized service agencies and their services into health care reform efforts.

Sec. E.314.3 [DELETED]

Sec. E.314.4 [DELETED]

Sec. E.316 ECONOMIC SERVICES DIVISION; INNOVATION IN
DELIVERY OF SERVICES

(a) For the purpose of exploring innovative approaches to the administration of programs within the Department for Children and Families' Economic Services Division, the Commissioner may authorize pilot programs within specific regions of the State that waive Division rules adopted pursuant to 3 V.S.A. chapter 25 in a manner that does not impact program eligibility or benefits. Temporarily waiving some existing rules for a prescribed period of time shall enable the Division to test innovative ideas for improving the delivery of services with the specific goal of achieving more responsive client services and operational efficiencies.

(b) During fiscal year 2018, the Division may propose pilot programs in accordance with the goals described in subsection (a) of this section to the Commissioner for approval. Each proposal shall outline the targeted service area, efficiencies sought, rules to be waived, duration of the program, and evaluation criteria. Notice shall be given to clients affected by a pilot program prior to the commencement of the pilot program, including a description of how benefit delivery will be affected, length of the program, and right to a fair hearing.

(c) On or before January 15, 2019, the Commissioner shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare summarizing the pilot programs implemented pursuant to this section and any findings and recommendations. In the event a particular pilot program is successful at improving the delivery of services to clients, the Commissioner may seek to amend the Division's rules in conformity with the approach used by the pilot program pursuant to 3 V.S.A. chapter 25.

Sec. E.317 USE OF RESIDENTIAL CARE FACILITIES

(a) At the November 2017 scheduled meeting of the Joint Justice Oversight Committee, the Commissioner for Children and Families with the assistance of the Departments of Mental Health, and of Disabilities, Aging and Independent Living, and the Agency of Education shall present a report on the use of out-of-state and in-state residential placements, including Woodside. The report shall include the following:

(1) Utilization for fiscal years 2015, 2016, and 2017 including the number and age of children placed by facility and the total bed days utilized.

(2) For each facility, the average daily costs for specific levels of service or treatment acuity in fiscal years 2015, 2016, and 2017 and the total amount

paid to each facility by department and by funding source in fiscal years 2015, 2016 and 2017.

(3) Measures used by the Department to determine outcomes for the children placed in these facilities and the cost effectiveness of these facilities, including length of stay, intensity of services provided, reunification of children with their family or home community, or both, relapse or readmittance rates, or subsequent involvement with the criminal justice system or both.

(4) The specific steps taken over the past three years by the Departments and the Agency to increase community-based supports for youths in custody while reducing use of residential care.

(b) The report shall also be provided to the House Committees on Appropriations, on Judiciary, on Human Services, and on Corrections and Institutions and to the Senate Committees on Appropriations, on Judiciary, on Health and Welfare, and on Institutions.

Sec. E.318 EARLY CARE AND DEVELOPMENT PROGRAM FUNDING

(a) Of the additional \$3,000,000 in general funds appropriated in Sec. B.318 of this act:

(1) an amount shall be allocated as needed to bring the baseline year used to determine eligibility for the Child Care Financial Assistance Program from the Federal Poverty Level (FPL) that was in place in 2016 to the 2017 FPL, which is the most current FPL for State fiscal year 2018; and

(2) the remaining amount shall be used for the Early Care and Development program as specified in Sec. E.318.1 of this act.

Sec. E.318.1 EARLY CARE AND DEVELOPMENT PROGRAM GRANT

(a) In fiscal year 2018, the Department for Children and Families shall award 70 percent of funds designated for the Early Care and Development Program Grants to center-based child care and preschool programs participating in the Step Ahead Recognition System (STARS) and 30 percent of the designated funds to family child care homes participating in STARS in accordance with the formula described in subsection (b) of this section.

(b) The Department's Child Development Division shall calculate eligibility for Early Care and Development Program Grants on a quarterly basis. In determining eligibility, the Division shall consider:

(1) the percent of enrollees receiving a Child Care Financial Assistance Program (CCFAP) subsidy as compared to a center-based child care and preschool program of a family child care home's licensed capacity at a weight of 70 percent;

(2) the average number of enrollees at a center-based child care and preschool program or family child care home receiving a CCFAP subsidy at a weigh of 15 percent; and

(3) the average number of infants and toddlers enrolled in a center-based child care and preschool program or family child care home at a weight of 15 percent.

(c) The Division shall provide Early Care and Development Program Grants to eligible child care and preschool programs or family child care homes as funds allow. Center-based child care and preschool programs or family child care homes receiving Early Care and Development Program Grants shall remain in compliance with the Department's rules, continue participation in STARS, and maintain high enrollment of children receiving a CCFAP subsidy.

Sec. E.321 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY
PROGRAM; COMMUNITY BASED ALTERNATIVES TO
GENERAL ASSISTANCE TEMPORARY HOUSING

(a) For fiscal year 2018, the Agency of Human Services may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, 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. Where such housing assistance programs and grants are provided and community-based programs are established, the General Assistance rules will not apply. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The housing assistance and community-based programs 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 housing assistance programs and community-based alternatives to General Assistance temporary housing.

Sec. E.321.1 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2018 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 33 V.S.A. § 2115 is amended to read:

§ 2115. GENERAL ASSISTANCE PROGRAM REPORT

On or before ~~January 15~~ September 1 of each year, the Commissioner for Children and Families shall submit a written report to the Joint Fiscal Committee; 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~~. The report will contain the following:

(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;

(4) statewide statistics using deidentified data related to the use of emergency housing vouchers during the preceding State fiscal year, including demographic information, 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

(5) other information the Commissioner deems appropriate.

Sec. E.324 LIHEAP AND WEATHERIZATION

(a) Notwithstanding 33 V.S.A. § 2501, in fiscal year 2018, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer up to 15 percent of the federal fiscal year 2018 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 2018. 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 2018. 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.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.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.327 WOODSIDE GLOBAL COMMITMENT FUNDING

(a) Upon any notification by the Centers for Medicare and Medicaid Services or upon determination by the Agency of Human Services that Medicaid funding will not be available to the State for the operation of Woodside Juvenile Rehabilitation Center in fiscal year 2018, the Secretary of Human Services and the Commissioner for Children and Families shall:

(1) immediately inform the Joint Fiscal Committee, the House and Senate Committees on Judiciary, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions of such notification or determination; and

(2) within 30 days of such notification or determination, develop and submit a proposal to the Committees named in subdivision (1) of this subsection that includes:

(A) a plan to suspend operations at the Woodside facility while ensuring alternative placements are made that meet the service needs for the delinquent youths currently placed there; and

(B) a fiscal impact analysis that includes fiscal year 2018 and long term fiscal cost estimates.

Sec. E.335 [DELETED]

Sec. E.335.1 REPURPOSING OF SOUTHEAST STATE CORRECTIONAL FACILITY

(a) Plan. Funding for the Department of Corrections reflects the cessation of operation of the Southeast State Correctional Facility, and it is the intent of the General Assembly that, on or before January 2, 2018, the facility be repurposed to provide secure transitional housing for inmates preparing to reenter the community, and be at full capacity on or before July 1, 2018.

(b) Population. It is the intent of the General Assembly that the repurposed facility be available for the following populations:

(1) inmates on the Lack of Housing (B1) list;

(2) moderate to high risk inmates who are either past their minimum release date or within 90 days of their release date;

(3) inmates who are eligible for reintegration furlough; and

(4) inmates who have served a significant sentence and are within six months of their release date.

(c) Services. It is the intent of the General Assembly that the repurposed facility provide the following prerelease services:

(1) acquisition of identification;

(2) housing identification;

(3) employment readiness and retention;

(4) planning to address transportation barriers;

(5) money management;

(6) transition and reentry case planning;

(7) substance abuse treatment;

(8) work release; and

(9) information technology skills development.

(d) Coordination of services. The Department of Corrections shall coordinate with the community justice centers statewide and the Department of Labor to ensure inmates successfully transition back to society.

(e) Report. The Department of Corrections shall provide a report on the plan to the Joint Legislative Justice Oversight Committee on or before November 1, 2017.

Sec. E.338 Corrections - correctional services

(a) The special funds appropriation of \$146,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.338.1 2008 Acts and Resolves No. 179, Sec. 22(a), as amended by 2010 Acts and Resolves No. 157, Sec. 14, by 2012 Acts and Resolves No. 104, Sec. 38, by 2013 Acts and Resolves No. 41, Sec. 1a, and by 2014 Acts and Resolves No. 194, Sec. 15, is further amended to read:

(a) Secs. 11 and 12 shall take effect on July 1, ~~2017~~ 2021.

Sec. E.342 Vermont veterans' home – care and support services

(a) The Vermont Veterans' Home shall use the Global Commitment funds appropriated in this section for the purpose of increasing the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.342.1 [DELETED]

Sec. E.345 Green mountain care board

(a) The Green Mountain Care Board shall use the Global Commitment Funds appropriated in Sec. B.345 of this act 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 FAIR REIMBURSEMENT REPORT

(a) Utilizing funds appropriated in Section B.345 of this act, the Green Mountain Care Board shall report to the Health Reform Oversight Committee by October 1, 2017 describing what substantial changes have been put into effect to achieve the site-neutral, fair reimbursements for medical services as envisioned in 2014 Acts and Resolves No. 144, Sec. 19, 2015 Acts and Resolves No. 54, Sec. 23, and 2016 Acts and Resolves No. 143, Sec. 5.

* * * LABOR * * *

Sec. E.400 DEPARTMENT OF LABOR; RESTRICTION ON TRANSFER
OF AUTHORIZED POSITIONS

(a) Notwithstanding any other provision of law to the contrary, no authorized positions in the Department of Labor or appropriations for authorized positions in the Department of Labor shall be transferred to the Agency of Commerce and Community Development without the approval of the General Assembly or, if the General Assembly is not in session, of the Joint Fiscal Committee.

Sec. E.400.1 APPRENTICESHIP AND YOUTH MENTORING PROGRAM

(a) On or before October 1, 2017, the Department of Labor shall design and begin implementation of the Apprenticeship and Youth Mentoring Program, the purpose of which shall be to provide paid work experiences and paid or unpaid internships for Vermont youths, working with mentoring professionals, that have academic and occupational education as a component, including:

(1) a summer youth employment program for high school juniors and seniors; and

(2) nonseasonal employment, preapprenticeship programs, and on-the-job training, for an at-risk youth employment program targeted for at-risk individuals 18 to 24 years of age.

(b) The Department shall implement the Program using funds from the State's Workforce Innovation and Opportunity Act grant from the U.S. Department of Labor, and other State and federal sources, to the extent allowed under applicable law.

(c) The Department shall design the Program to serve 150 individual Vermonters.

* * * K-12 EDUCATION * * *

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in this section will be used for physician claims for determining medical necessity of Individualized Education Program (IEPs). It is the goal of these services to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.500.1 [DELETED]

Sec. E.500.2 16 V.S.A. § 4025(b)(4) is added to read:

(4) To make payments to the Vermont Teachers' Retirement Fund for normal contribution in accordance with subsection 1944(c) of this title.

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 2018 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, \$4,120,000 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;

(2) \$100,000 is available to support the Vermont Virtual Learning Cooperative at the River Valley Technical Center School District;

(3) \$200,000 is available for secondary school reform grants; and

(4) \$450,000 is available for the Vermont Academy of Science and Technology and \$1,700,000 for Early College pursuant to 16 V.S.A. § 4011(e).

E.504.2 ADULT DIPLOMA FUNDING

(a) Payments amounts made in section B.504 for the adult diploma program are made notwithstanding 16 V.S.A. § 4011(f).

Sec. E.505 EXCESS SPENDING PENALTY WAIVER

(a) Notwithstanding any other provision of law, for fiscal year 2018 only, a qualifying school district shall not incur an excess spending penalty under 32 V.S.A. § 5401(12) and 16 V.S.A. § 4001(6).

(b) As used in this section, a “qualifying school district” means a school district that:

(1) has entered into a contract or contracts with another school district to jointly operate kindergarten through grade 12; and

(2) on or before July 1, 2017, received approval by its electorate to consolidate with another school district under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended.

Sec. E.513 Appropriation and transfer to education

(a) Pursuant to Sec. B.513 of this act and 16 V.S.A. § 4025(a)(2), there is appropriated in fiscal year 2018 from the General Fund for transfer to the Education Fund the amount of \$314,695,753.

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 \$88,409,437 of which \$83,809,437 shall be the State's contribution and \$4,600,000 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, \$8,346,261 is the "normal contribution," and \$80,063,176 is the "accrued liability contribution."

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$27,560,966 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. E.515.1 16 V.S.A. § 1944b is amended to read:

§ 1944b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS
FUND

(a) There is established a Retired Teachers' Health and Medical Benefits Fund (Benefits Fund) to pay retired teacher health and medical benefits, including prescription drug benefits, when due in accordance with the terms established by the Board of Trustees of the State Teachers' Retirement System of Vermont pursuant to subsection 1942(p) and subdivision 1944(c)(12) of this title. The Benefits Fund shall be administered by the Treasurer.

(b) The Benefits Fund shall consist of:

(1) all monies remitted to the State on behalf of the members of the State Teachers' Retirement System of Vermont for prescription drug plans pursuant to the Employer Group Waiver Plan with Wrap pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003;

(2) any monies appropriated by the General Assembly for the purpose of paying the health and medical benefits for retired members and their dependents provided by subsection 1942(p) and subdivision 1944(c)(12) of this title;

(3) any monies pursuant to subsection (e) of this section; and

(4) ~~any monies the General Assembly transfers from the Supplemental Property Tax Relief Fund pursuant to 32 V.S.A. § 6075; and [Repealed.]~~

(5) any monies pursuant to section 1944d of this title.

(c) No employee contributions shall be deposited in the Benefits Fund.

(d) Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year; provided, however, that any amounts received in repayment of interfund loans established under subsection (e) of this section may be reinvested by the State Treasurer.

(e)(1) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan shall be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under 32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on investments made pursuant to 32 V.S.A. § 433. No interfund loans made under this authority shall, in the aggregate, exceed ~~\$30,000,000.00~~ \$28,500,000.00.

(2) For the purposes of this chapter, calculation of the interfund loan limit shall include long-term receivables and payables but shall not include accruals for federal reimbursement of employer group waiver plan receivables pursuant to 16 V.S.A. § 1944b(b)(1), receivables due from local school systems pursuant to 16 V.S.A. § 1944d, or any short-term accruals.

(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in base appropriations, but not from the Education Fund, and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments shall be met in base appropriations by fiscal year ~~2024~~ 2023. To the extent that other revenue sources are identified, the General Fund obligation shall not be reduced, until all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied. Contributions to the Benefits Fund shall be irrevocable and it shall be impossible at any time prior to the satisfaction of all liabilities, with respect to employees and their beneficiaries, for any part of the corpus or income of the Benefits Fund to be used for, or diverted to, purposes other than the payment of retiree postemployment benefits to members and their beneficiaries and reasonable expenses of administering the Benefits Fund and related benefit plans.

(g) The Treasurer shall report on the status of the interfund loan balance allowed under this section as part of the annual budget presentation to the General Assembly.

* * * 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 uninsured or underinsured persons, or both, in Vermont and across the nation.

Sec. E.600.1 INCREASING VERMONT'S PRIMARY CARE
WORKFORCE

(a) Of the Global Commitment funds allocated to the University of Vermont College of Medicine pursuant to this act, at least \$750,000.00 shall be used to support the College of Medicine's new rural medicine health track, which embeds medical students in a rural community for a year-long longitudinal integrated clerkship during which they will be trained in clinical care while engaging with the local community and conducting population health studies. The goal of the rural medicine health track is to encourage more students to choose careers in primary care in underserved areas of Vermont.

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.

(c) Of the appropriation in Sec. B.602 of this act, up to \$200,000 shall be used in partnership with the Vermont Student Assistance Corporation for the purpose of counseling and advising Vermont students in order to support retention and the graduation of students in the Vermont State College System.

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 Education 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.

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 Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2018.

Sec. E.608 [DELETED]

Sec. E.608.1 [DELETED]

* * * NATURAL RESOURCES * * *

Sec. E.700 32 V.S.A. § 5(a)(3)(A) is amended to read:

(3)(A) This section shall not apply to the following items, if the acceptance of those items will not incur additional expense to the State or create an ongoing requirement for funds, services, or facilities:

(i) the acceptance of grants, gifts, donations, loans, or other things of value with a value of \$5,000.00 or less;

(ii) the acceptance by the Department of Forests, Parks and Recreation and the Department of Fish and Wildlife of grants, gifts, donations, loans, or other things of value with a value of \$15,000.00 or less; or

(iii) the acceptance by the Vermont Veterans' Home of grants, gifts, donations, loans, or other things of value with a value of \$10,000.00 or less.

Sec. E.700.1 10 V.S.A. § 1389a is amended to read:

§ 1389a. CLEAN WATER INVESTMENT REPORT

(a) Beginning on January 15, 2017, and annually thereafter, the ~~Clean Water Fund Board~~ Secretary of Administration shall publish a Clean Water Investment Report. The Report shall summarize all investments, including their cost-effectiveness, made by the Clean Water Fund Board and other State agencies for clean water restoration over the ~~past~~ prior calendar year. The Report shall include expenditures from the Clean Water Fund, the General Fund, the Transportation Fund, and any other State expenditures for clean water restoration, regardless of funding source.

~~(b) The Report shall document progress or shortcomings in meeting established indicators for clean water restoration. The Report shall include:~~

(1) Documentation of progress or shortcomings in meeting established indicators for clean water restoration.

(2) a summary of additional funding sources pursued by the Board, including whether those funding sources were attained; if it was not attained, why it was not attained; and where the money was allocated from the Fund.

(3) A summary of water quality problems or concerns in each watershed basin of the State, a list of water quality projects identified as necessary in each basin of the State, and how identified projects have been prioritized for implementation. The water quality problems and projects identified under this subdivision shall include programs or projects identified across State government and shall not be limited to projects listed by the Agency of Natural Resources in its watershed projects database.

(4) A summary of any changes to applicable federal law or policy related to the State's water quality improvement efforts, including any changes to requirements to implement total maximum daily load plans in the State;

(5) A summary of available federal funding related to or for water quality improvement efforts in the State.

(c) The Report may also provide an overview of additional funding necessary to meet objectives established for clean water restoration and recommendations for additional revenue to meet those restoration objectives.

The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report required by this section.

~~(b)(d)(1)~~ The ~~Board~~ Secretary of Administration shall develop and use a results-based accountability process in publishing the annual report required by subsection (a) of this section.

(2) The Secretary of Administration shall develop user-friendly issue briefs, tables, or executive summaries that make the information required under subdivision (b)(3) available to the public separately from the report required by this section.

(3) On or before September 1 of each year, the Secretary of Administration shall submit to the Joint Fiscal Committee an interim report regarding the information required under subdivision (b)(5) of this section relating to available federal funding.

* * * COMMERCE AND COMMUNITY DEVELOPMENT * * *

Sec. E.800 VERMONT LIFE MAGAZINE

(a) The Secretary of Administration with the assistance of the Secretary of Commerce and Community Development shall issue an RFP by June 30, 2017 that seeks bids from interested media parties by September 30, 2017 to maximize the State benefit of Vermont Life magazine by:

(1) sale of Vermont Life magazine as an operating enterprise, or sale of any identifiable Vermont Life assets after the suspension of publication by the state to offset in whole or in part the magazine's existing debt, or

(2) licensing arrangements with entities that would result in payments to the State that reduce over time the magazine's existing debt, or

(3) partnership or operating proposals that continue publication without additional State support and have a high likelihood of eventual positive revenue streams to the State that reduce over time the magazine's existing debt or would result in a future sale of the enterprise sufficient to offset the debt, or both; or

(4) other media and publishing proposals that offset in whole or in part the magazine's existing debt.

(b) Departments of the State are not precluded from submitting bids, but the primary determination of the proposals will be the financial benefit to the State.

(c) The Secretary of Administration in consultation with the Secretary of Commerce and Community Development will analyze the bids received and make a determination of acceptance. The Secretary of Administration, with the approval of the Emergency Board, is authorized to execute a contract

regarding the sale, licensing, partnership, or other proposal for Vermont Life to maximize the State benefit.

(d) If no acceptable bids are identified, the Secretary of Administration is authorized to specify a date certain for the orderly suspension of publishing operations, notwithstanding 3 V.S.A. § 2473a or any other provision of law to the contrary.

(e) Any remaining outstanding financial obligation after the actions taken in this section shall be presented to the General Assembly as part of the report required under 2016 Acts and Resolves No. 172, Sec. E.100.9.

Sec. E.800.1 VERMONT EB-5 REGIONAL CENTER; PLAN FOR
REORGANIZATION; REPORT; BUDGET PROPOSAL

(a) On or before December 15, 2017, the Agency of Commerce and Community Development shall consider and adopt and plan for the reorganization and operation of the Vermont EB-5 Regional Center.

(b) The plan shall address specific steps the Agency will take to ensure the Center successfully connects Vermont businesses with investors, and effectively markets and promotes economic development opportunities in Vermont.

(c) The Agency shall include in the Governor's budget proposal for fiscal year 2019 a detailed assessment and request for the funding necessary to implement the plan of reorganization required by this section.

Sec. E.804 Community development block grants

(a) Community Development Block Grants shall carry forward until expended.

* * * TRANSPORTATION * * *

Sec. E.904 [DELETED]

Sec. E.909 Transportation – central garage

(a) Of this appropriation, \$7,904,353 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).

* * * MISCELLANEOUS TECHNICAL CORRECTIONS* * *

Sec. F.1 33 V.S.A. § 2604(b) is amended to read:

(b) Fuel cost requirements. The Secretary of Human Services or designee shall by procedure establish a table that contains amounts that will function as a proxy for applicant households' annual heating fuel cost for the previous year. The seasonal fuel expenditure estimates contained within the table shall closely approximate the actual home heating costs experienced by participants in the Home Heating Fuel Assistance Program. ~~Data on actual heating costs collected pursuant to subsection 2602(d) of this title shall be used in lieu of the proxy table when available.~~ The table shall be revised no less frequently than every three years based on data supplied by certified fuel suppliers, the Department of Public Service, and other industry sources to the Office of Home Heating Fuel Assistance. The Secretary or designee shall provide a draft of the table to the Home Energy Assistance Task Force established pursuant to subsection 2602a(c) of this title and solicit input from the Task Force prior to finalizing the table.

Sec. F.2 33 V.S.A. § 2605(a) is amended to read:

(a) The Secretary of Human Services or designee shall by rule establish a table that specifies maximum percentages of applicant households' annual heating fuel costs, based on the proxy table established pursuant to subsection 2604(b) of this title ~~and, when available, the data collected pursuant to subsection 2602(d) of this title~~, that can be authorized for payment as annual home heating fuel assistance benefits for the following year. The maximum percentages contained within this table shall vary by household size and annual household income. In no instance shall the percentage exceed 90 percent.

Sec. F.3 33 V.S.A. § 2608 is amended to read:

§ 2608. WEATHERIZATION PROGRAM AGREEMENTS

The Director of the Home Energy Assistance Program shall inform the Administrator of the Home Weatherization Assistance Program, established under chapter 25 of this title, of all participants in the Home Heating Fuel Assistance Program ~~and of the information required by subsection 2602(d) of this title~~. The Agency of Human Services shall provide all participants in the Home Heating Fuel Assistance Program with information regarding the efficiency utility established under 30 V.S.A. § 209. All participants in the Home Heating Fuel Assistance Program shall be deemed to comply with any income requirements of the Home Weatherization Program, but to receive weatherization services, recipients shall be required to meet any other eligibility requirements of the Home Weatherization Program. As a condition of receipt of benefits under the Home Heating Fuel Assistance Program, a

recipient shall consent to receive services of the Home Weatherization Assistance Program. ~~The Home Weatherization Assistance Program shall use the information required by subsection 2602(d) of this title to determine the number of British thermal units (Btus) needed to heat a square foot of space for each participant in the Home Energy Assistance Program.~~ The Home Weatherization Assistance Program shall give the highest priority to providing services to participants within the Home Heating Fuel Assistance Program and, among those participants, to those who require the ~~most BTUs to heat a square foot of space~~ highest energy usage.

Sec. F.4 33 V.S.A. § 2502(b)(3)(C) is amended to read:

(C) Establishing Program eligibility levels at 80 percent of the area median income, or 80 percent of the State median income, whichever is higher. Subject to the priority under section 2608 of this title given to participants in the Home Heating Fuel Assistance Program, the State program shall, when weighing factors to assign priority to buildings or units eligible for weatherization assistance, assign the greatest weight to those buildings and units that require the ~~most Btus to heat a square foot of space~~ highest energy usage.

Sec. F.5 33 V.S.A. § 2609(a) is amended to read:

(a) Annually, the Secretary of Human Services or designee shall determine an appropriate amount of funds ~~in the Home Heating Fuel Assistance fund~~ to be set aside for expenditure for the crisis fuel assistance component of the Home Heating Fuel Program. The Secretary or designee shall also adopt rules to define crisis situations for the expenditure of the home heating fuel crisis funds, and to establish the income ~~and asset~~ eligibility requirements of households for receipt of crisis Home Heating Fuel Assistance, provided that no household shall be eligible whose gross household income is greater than 200 percent of the federal poverty level ~~or is in excess of income maximums established by LIHEAP~~ based on the income of all persons residing in the household. To the extent allowed by federal law, the Secretary or designee shall establish by rule a calculation of gross income based on the same rules used in 3SquaresVT, except that the Secretary or designee shall include additional deductions or exclusions from income required by LIHEAP.

Sec. F.6 33 V.S.A. § 2502(d) is amended to read:

(d) Subject to budgetary approval by the General Assembly, or approval by the Emergency Board, amounts in the Home Weatherization Assistance Fund created by section 2501 of this title may be transferred to the Home Heating Fuel Assistance ~~Fund created by section 2603 of this title~~ program, and used for energy assistance to low income persons, provided that such transfer does not reduce the fiscal capacity of the State Office of Economic Opportunity to

meet the budgetary obligations of the Weatherization Program as set forth in this chapter, and that in the event of approval by the Emergency Board, the Emergency Board so certifies.

Sec. F.7 33 V.S.A. § 2502(c) is amended to read:

(c) The Secretary of Human Services shall by rule establish rent stabilization agreements and provisions to recapture amounts expended for weatherization of a rental unit which exceed the amount of energy cost reductions projected to be obtained by eligible tenants of the unit. The time periods established for rent stabilization and recapture shall be set taking into account the size of benefits received by tenants and landlords as well as the effect on program participation. Funds recaptured under this section shall be deposited into the Home Weatherization Assistance ~~Trust~~ Fund established under section 2501 of this title.

*** EFFECTIVE DATES ***

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2017 carry forward appropriations), C.101 (fiscal year 2017 fund transfers), C.101.1 (Volkswagen settlement), C.102 (expenditure of Human Services Caseload Management Reserve), C.103 (fiscal year 2017 27/53 Reserve, transfer), C.103.1 (fiscal year 2017 Secretary' office, Global Commitment adjustment), C.104 (fiscal year 2017 Green Mountain Care Board adjustment), C.104.1 (fiscal year 2017 Human Services function total adjustment), C.105–C.106 (fiscal year 2017 Debt service adjustments), C.107–C.110 (fiscal year 2017 teachers' retirement system and health care and medical benefits adjustments) C.111 (Emergency Board composition) C.112 (budget report), C.113 (fiscal year 2017 carry forward authority), C.114 (fiscal year 2017 cost savings), C. 115 (General Fund year end close out), E.100(b)(1) (Labor Relations Manager position), E.100(c)(1) (Security Guard positions), E.100.1(d)(7) (position pilot program, extension), E.100.2, and E.300.1–E.300.8 (transfer Director of Health Care Reform and duties to the Agency of Human Services), E.327 (Woodside Global Commitment funding), and F.1-F.7 (miscellaneous technical statute corrections) shall take effect on passage.

(b) All remaining sections shall take effect on July 1, 2017.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

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 on a roll call Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Bill Passed in Concurrence

H. 50.

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

An act relating to the telecommunications siting law.

Bill Passed in Concurrence with Proposal of Amendment

H. 219.

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

An act relating to the Vermont spaying and neutering program.

Proposals of Amendment; Third Reading Ordered

H. 516.

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

An act relating to miscellaneous tax changes.

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

First: By striking out the reader assistance heading before Sec. 1, and inserting in lieu thereof a new reader assistance heading to read as follows:

* * * Administrative and Technical Provisions * * *

And by striking the reader assistance heading between Sec. 1 and Sec. 2

Second: By striking out Sec. 11 in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. 3 V.S.A. chapter 10 is added to read:

CHAPTER 10. FEDERAL TAX INFORMATION

§ 241. BACKGROUND INVESTIGATIONS

(a) “Federal tax information” or “FTI” means returns and return information as defined in 26 U.S.C. § 6103(b) that are received directly from the Internal Revenue Service or obtained through an IRS-authorized secondary source, that are in the Recipient’s possession or control, and that are subject to the confidentiality protections and safeguarding requirements of the Internal Revenue Code and corresponding federal regulations and guidance.

(b) As used in this chapter, “Recipient” means the following authorities of the Executive Branch of State government that receive FTI:

(1) Agency of Human Services, including:

(A) Department for Children and Families;

(B) Department of Health;

(C) Department of Mental Health; and

(D) Department of Vermont Health Access.

(2) Department of Labor.

(3) Department of Motor Vehicles.

(4) Department of Taxes.

(c) The Recipient shall conduct an initial background investigation of any individual, including a current or prospective employee, volunteer, contractor, or subcontractor, to whom the Recipient permits access to FTI for the purpose of assessing the individual’s fitness to be permitted access to FTI. The Recipient shall conduct, every 10 years at a minimum, periodic background investigations of employees or other individuals to whom the Recipient permits access to FTI.

(d) The Recipient shall request and obtain from the Vermont Crime Information Center (VCIC) the Federal Bureau of Investigation and State and local law enforcement criminal history records based on fingerprints for the purpose of conducting a background investigation under this section.

(e) The Recipient shall sign and keep a user agreement with the VCIC.

(f) A request made under subsection (d) of this section shall be accompanied by a release signed by the individual on a form provided by the VCIC, a set of the individual’s fingerprints, and a fee established by the VCIC

that shall reflect the cost of obtaining the record. The fee for a current or prospective employee shall be paid by the Recipient. The release form to be signed by the individual shall include a statement informing the individual of:

(1) the right to challenge the accuracy of the record by appealing to the VCIC pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Recipient's policy regarding background investigations and the maintenance and destruction of records.

(g) Upon completion of a criminal history record check under subsection (d) of this section, the VCIC shall send to the Recipient either a notice that no record exists or a copy of the record. If a copy of a criminal history record is received, the Recipient shall forward it to the individual and shall inform the individual in writing of:

(1) the right to challenge the accuracy of the record by appealing to the VCIC pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Recipient's policy regarding background investigations and the maintenance and destruction of records.

(h) Criminal history records and information received under this chapter are exempt from public inspection and copying under the Public Records Act and shall be kept confidential by the Recipient, except to the extent that federal or State law authorizes disclosure of such records or information to specifically designated persons.

(i) The Recipient shall adopt policies in consultation with the Department of Human Resources to carry out this chapter and to guide decisions based on the results of any background investigation conducted under this chapter.

§ 242. RAP BACK PROGRAM

The Recipient may request the Vermont Crime Information Center (VCIC) to provide Federal Bureau of Investigation "Rap Back" background investigation services based on fingerprints for the purpose of assessing the fitness of an individual with access to FTI, including a current employee, volunteer, contractor, or subcontractor, to continue to be permitted access to FTI. A Rap Back investigation authorized under this section may be requested upon:

(1) obtaining informed written consent from the individual to authorize the retention of fingerprints for future background investigation purposes;

(2) creating sufficient controls and processes to protect the confidentiality and privacy of the records and information received;

(3) notifying the individual in a timely manner of new records and information received; and

(4) notifying the individual of the background investigation policy established by the Recipient in consultation with the Department of Human Resources.

Third: In Sec. 13, 31 V.S.A. chapter 23, in subdivision 1201(5), by adding a third sentence to read as follows:

An organization shall be considered a nonprofit organization under this subdivision only if it certifies annually, on a form with whatever information is required by the Commissioner, how it meets the definition under this subdivision.

And in section 1203, by striking subsection (f) in its entirety, and inserting in lieu thereof a new subsection (f) to read as follows:

(f) A nonprofit organization that sells break-open tickets, other than a club as defined in 7 V.S.A. § 2(7), shall report to the Department of Liquor Control on a quarterly basis the number of tickets purchased and distributed, and the corresponding serial numbers of those tickets, the amount of revenue realized by the nonprofit organization, and the amounts accounted for under subdivisions (e)(2)(A)–(D) of this section. The nonprofit organization shall also identify an individual from the organization responsible for the reporting requirements under this subsection. If the Department of Liquor Control determines that a nonprofit organization has failed to comply with the requirements of this subsection, the Department of Liquor Control shall notify the nonprofit organization and any licensed distributors of this failure, and any licensed distributor that continues to sell break-open tickets to that nonprofit organization after notice shall be considered in violation of the requirements of this chapter, until the Department of Liquor Control has determined the nonprofit organization is back in compliance with this subsection.

Fourth: By striking out Sec. 15 (health information technology report) in its entirety, and inserting in lieu thereof a new Sec. 15 to read as follows:

Sec. 15. HEALTH INFORMATION TECHNOLOGY REPORT

(a) The Secretaries of Administration and of Human Services shall conduct a comprehensive review of the State's Health-IT Fund established by 32 V.S.A. § 10301, Health Information Technology Plan established by 18 V.S.A. § 9351, and Vermont Information Technology Leaders administered pursuant to 18 V.S.A. § 9352.

(b) The report shall:

(1) review the need for a State-sponsored Health-IT Fund;

(2) review how past payments from the Fund have or have not promoted the advancement of health information technology adoption and utilization in Vermont;

(3) review the past development, approval process, and use of the Vermont Health Information Technology Plan;

(4) review the Vermont Information Technology Leaders (VITL) organization, including:

(A) its maintenance and operation of Vermont's Health Information Exchange (VHIE);

(B) the organization's ability to support current and future health care reform goals;

(C) defining VITL's core mission;

(D) identifying the level of staffing necessary to support VITL in carrying out its core mission; and

(E) examining VITL's use of its staff for activities outside its core mission;

(5) recommend whether to continue the Health-IT Fund, including with its current revenue source as set forth in 32 V.S.A. § 10402;

(6) recommend any changes to the structure of VITL, including whether it should be a public or private entity, and any other proposed modifications to 18 V.S.A. § 9352;

(7) review property and ownership of the VHIE, including identifying all specific tangible and intangible assets that comprise or support the VHIE (especially in regards to VITL's current and previous agreements with the State), and the funding sources used to create this property;

(8) evaluate approaches to health information exchange in other states, including Maine and Michigan, in order to identify opportunities for reducing duplication in Vermont's health information exchange infrastructure; and

(9) recommend any accounting or financial actions the State should take regarding State-owned tangible and intangible assets that comprise or support the VHIE.

(c) On or before November 15, 2017, the Secretaries of Administration and of Human Services shall submit this report to the House Committees on Health Care, on Appropriations, on Energy and Technology, and on Ways and Means and the Senate Committees on Health and Welfare, on Appropriations, and on Finance.

Fifth: By striking out Sec. 18 in its entirety and inserting in lieu thereof a reader assistance and five new sections to be Secs. 18, 18a, 18b, 18c and 18d to read as follows:

* * * Health Care Provisions; Home Health Agency Provider Tax * * *

Sec. 18. 33 V.S.A. § 1951 is amended to read:

§ 1951. DEFINITIONS

As used in this subchapter:

(1) “Assessment” means a tax levied on a health care provider pursuant to this chapter.

(2)(A) ~~“Core home~~ Home health care services” means any of the following:

(i) ~~those medically necessary, intermittent, skilled nursing, home health aide, therapeutic, and personal care attendant services, provided exclusively in the home by home health agencies. Core home health services do not include private duty nursing, hospice, homemaker, or physician services, or services provided under early periodic screening, diagnosis, and treatment (EPSDT), traumatic brain injury (TBI), high technology programs, or services provided by a home for persons who are terminally ill as defined in subdivision 7102(3) of this title~~ home health services provided by Medicare-certified home health agencies of the type covered under Title XVIII (Medicare) or XIX (Medicaid) of the Social Security Act;

(ii) services covered under the adult and pediatric High Technology Home Care programs as of January 1, 2015;

(iii) personal care, respite care, and companion care services provided through the Choices for Care program contained within Vermont’s Global Commitment to Health Section 1115 demonstration; and

(iv) hospice services.

(B) The term “home health services” shall not include any other service provided by a home health agency, including:

(i) private duty services;

(ii) case management services, except to the extent that such services are performed in order to establish an individual’s eligibility for services described in subdivision (A) of this subdivision (2);

(iii) homemaker services;

(iv) adult day services;

- (v) group-directed attendant care services;
- (vi) primary care services;
- (vii) nursing home room and board when a hospice patient is in a nursing home; and
- (viii) health clinics, including occupational health, travel, and flu clinics.

(C) The term “home health services” shall not include any services provided by a home health agency under any other program or initiative unless the services fall into one or more of the categories described in subdivision (A) of this subdivision (2). Other programs and initiatives include:

- (i) the Flexible Choices or Assistive Devices options under the Choices for Care program contained within Vermont’s Global Commitment to Health Section 1115 demonstration;
- (ii) services provided to children under the early and periodic screening, diagnostic, and treatment Medicaid benefit;
- (iii) services provided pursuant to the Money Follows the Person demonstration project;
- (iv) services provided pursuant to the Traumatic Brain Injury Program; and
- (v) maternal-child wellness services, including services provided through the Nurse Family Partnership program.

* * *

(10) “Net operating patient revenues” means a provider’s gross charges related to patient care services less any deductions for bad debts, charity care, contractual allowances, and other payer discounts.

* * *

Sec. 18a. 33 V.S.A. § 1955a is amended to read:

§ 1955a. HOME HEALTH AGENCY ASSESSMENT

(a)(1) ~~Beginning October 1, 2011, each~~ Each home health agency’s assessment shall be ~~49.30~~ 4.25 percent of its net ~~operating patient~~ revenues from ~~core home health care services, excluding revenues for services provided under Title XVIII of the federal Social Security Act; provided, however, that each home health agency’s annual assessment shall be limited to no more than six percent of its annual net patient revenue provided exclusively in Vermont.~~

(2) On or before May 1 of each year, each home health agency shall provide to the Department a copy of its most recent audited financial statement prepared in accordance with generally accepted accounting principles. The amount of the tax shall be determined by the Commissioner based on the home health net patient revenue attributable to services reported on the agency's most recent audited financial statements statement at the time of submission, a copy of which shall be provided on or before May 1 of each year to the Department.

(3) For providers who ~~begin~~ began operations as a home health agency after January 1, 2005, the tax shall be assessed as follows:

(1)(A) Until such time as the home health agency submits audited financial statements for its first full year of operation as a home health agency, the Commissioner, in consultation with the home health agency, shall annually estimate the amount of tax payable and shall prescribe a schedule for interim payments.

(2)(B) At such time as the full-year audited financial statement is filed, the final assessment shall be determined, and the home health agency shall pay any underpayment or the Department shall refund any overpayment. The assessment for the State fiscal year in which a provider commences operations as a home health agency shall be prorated for the proportion of the State fiscal year in which the new home health agency was in operation.

* * *

Sec. 18b. 2016 Acts and Resolves No. 134, Sec. 32 is amended to read:

Sec. 32. HOME HEALTH AGENCY ASSESSMENT FOR FISCAL
YEARS YEAR 2017 AND 2018

Notwithstanding any provision of 33 V.S.A. § 1955a(a) to the contrary, for fiscal ~~years year~~ year 2017 ~~and 2018~~ only, the amount of the home health agency assessment under 33 V.S.A. § 1955a for each home health agency shall be 3.63 percent of its annual net patient revenue.

Sec. 18c. TRANSITIONAL PROVISION FOR FISCAL YEAR 2018

Notwithstanding any provision of 33 V.S.A. § 1955a(a)(2) to the contrary, for fiscal year 2018 only, the Commissioner of Vermont Health Access may determine the amount of a home health agency's provider tax based on such documentation as the Commissioner deems acceptable.

Sec. 18d. REPEAL

33 V.S.A. § 1955a (home health agency assessment) is repealed on July 1, 2019.

Sixth: By adding a new section to be numbered Sec. 24a to read as follows:

Sec. 24a. SMALL BUSINESS TAXPAYER OUTREACH AND
EDUCATION WORKING GROUP

The Taxpayer Advocate at the Department of Taxes shall convene a working group of interested stakeholders to examine the ways the Department can improve outreach and education to small business taxpayers. On or before November 15, 2017, the Taxpayer Advocate shall report to the House Committee on Ways and Means and the Senate Committee on Finance recommendations to improve the relationship between the Department and small businesses. In considering the recommendations, the Taxpayer Advocate shall examine the following:

- (1) identifying complex areas of the law that could be simplified to enhance voluntary compliance;
- (2) compiling a list of common issues on which the Department may focus its outreach and education efforts;
- (3) considering how the Department can maximize its existing resources to provide additional guidance targeted to small businesses;
- (4) directing the Department to identify existing organizations and resources for small businesses and how to provide tax guidance through those organizations;
- (5) providing for a plan to contact and provide direction to new small businesses in Vermont within one year of their operation in the State;
- (6) recommending guidelines to forgive tax penalties and interest under certain circumstances; and
- (7) making other recommendations as appropriate.

Seventh: By striking out Sec. 26 (clean water working group) in its entirety and inserting in lieu thereof a new Sec. 26 to read as follows:

Sec. 26. CLEAN WATER WORKING GROUP

(a) Creation. There is created the Working Group on Water Quality Funding (Working Group) to develop a recommended method of assessing a statewide impervious surface fee, per parcel fee, per acre fee, or some combination of the foregoing, in order to generate revenue to be deposited in the Clean Water Fund under 10 V.S.A. § 1388 to fund water quality restoration and conservation in the State.

(b) Membership. The Working Group shall be composed of the following 13 members:

- (1) the Secretary of Natural Resources or designee;
 - (2) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;
 - (3) one current member of the Senate, who shall be appointed by the Committee on Committees;
 - (4) one member from the Vermont League of Cities and Towns, appointed by the Board of Directors of that organization;
 - (5) one member from the Vermont Municipal Clerks and Treasurers Association, appointed by the Executive Board of that organization;
 - (6) one member from the Vermont Mayors' Coalition appointed by that organization;
 - (7) one member representing commercial or industrial business interests in the State, to be appointed by the Lake Champlain Regional Chamber of Commerce, after consultation with other business groups in the State;
 - (8) the Commissioner of Environmental Conservation or designee;
 - (9) the Commissioner of Forests, Parks and Recreation or designee;
 - (10) a representative of an environmental advocacy group, appointed by the Speaker of the House;
 - (11) a representative of the agricultural community appointed by the Vermont Farm Bureau;
 - (12) a representative of University of Vermont Extension, appointed by the President Pro Tempore of the Senate; and
 - (13) the Secretary of Agriculture, Food and Markets or designee.
- (c) Powers and duties. The Working Group shall recommend to the General Assembly draft legislation to establish a statewide method of assessing an impervious surface fee, a per parcel fee, a per acre fee, or some combination of the foregoing, in order to generate revenue to fund water quality restoration and conservation in the State. In developing the draft legislation, the Working Group shall address:
- (1) whether the fee or fees shall be assessed on impervious surface, per parcel, per acre, or some combination of the foregoing;
 - (2) whether the fee or fees shall be tiered to reflect the amount of impervious surface, size of a parcel, acreage of a parcel, type of property, usage of the property, impact of the property on water quality, or other factors;
 - (3) the amount of fee or fees to be assessed;

(4) how the fee or fees shall be collected and remitted to the State;

(5) whether any property shall be exempt from the fee or fees;

(6) how an owner of property subject to a municipal stormwater utility fee or other revenue mechanism for funding water quality improvements shall receive a credit or reduced fee for payment of the municipal fee; and

(7) how to provide for abatement, delinquency, and enforcement of the required fee or fees.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Agency of Natural Resources and the Department of Taxes. The Working Group shall have the technical assistance of the Vermont Center for Geographic Information or designee.

(e) Report. On or before January 15, 2018, the Working Group shall submit to the General Assembly a summary of its activities and the draft legislation establishing a statewide method of assessing an impervious surface fee, per parcel fee, per acre fee, or some combination of the foregoing.

(f) Meetings.

(1) The Secretary of Natural Resources shall call the first meeting of the Working Group to occur on or before July 1, 2017.

(2) The Secretary of Natural Resources shall be the Chair of the Working Group.

(3) A majority of the membership shall constitute a quorum.

(4) The Working Group shall cease to exist on March 1, 2018.

Eighth: By adding a new section to be numbered Sec. 26a to read as follows:

Sec. 26a. 2015 Acts and Resolves No. 64, Sec. 39 is amended to read:

Sec. 39. REPEAL OF CLEAN WATER SURCHARGE

32 V.S.A. § 9602a (Clean Water Surcharge) shall be repealed on July 1, ~~2018~~ 2019.

Ninth: By striking out Secs. 27 (repeals) and Sec. 28 (effective dates) in their entirety and inserting reader assistance headings and ten new sections to be numbered Secs. 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36 to read as follows:

* * * Property Tax Appeals * * *

Sec. 27. 32 V.S.A. § 5412 is amended to read:

§ 5412. REDUCTION OF LISTED VALUE AND RECALCULATION OF
EDUCATION TAX LIABILITY

(a)(1) ~~If a listed value is reduced as the result of an appeal or court action, and if the municipality files a written request with the Commissioner within 30 days after the date of the determination, entry of the final order, or settlement agreement if the Commissioner determines that the settlement value is the fair market value of the parcel, the Commissioner made pursuant to section 4461 of this title, a municipality may submit a request for the Director of Property Valuation and Review to recalculate its education property tax liability for the education grand list value lost due to a determination, declaratory judgment, or settlement. The Director shall recalculate the municipality's education property tax liability for the each year at issue, in accord with the reduced valuation, provided that:~~

(A) ~~the~~ The reduction in valuation is the result of an appeal under chapter 131 of this title to the Director of Property Valuation and Review or to a court, with no further appeal available with regard to that valuation, or any judicial decision with no further right of appeal, or a settlement of either an appeal or court action if the ~~Commissioner~~ Director determines that the settlement value is the fair market value of the parcel;

(B) ~~the~~ The municipality ~~notified the Commissioner of the appeal or court action, in writing, within 10 days after notice of the appeal was filed under section 4461 of this title or after the complaint was served; and submits the request on or before January 15 for a request involving an appeal or court action resolved within the previous calendar year.~~

(C) ~~as a result of the valuation reduction of the parcel, the value of the municipality's grand list is reduced at least one percent. [Repealed.]~~

(D) The Director determines that the municipality's actions were consistent with best practices published by the Property Valuation and Review in consultation with the Vermont Assessors and Listers Association. The municipality shall have the burden of showing that its actions were consistent with the Director's best practices.

(2) A determination of the Director made under subdivision (1) of this subsection (a) may be appealed within 30 days by an aggrieved municipality to the Commissioner for a hearing to be held in accordance with 3 V.S.A. §§ 809–813. The Commissioner's determination may be further appealed to Superior Court, which shall review the Commissioner's determination using the record that was before the Commissioner. The Commissioner's

determination may only be overturned for abuse of discretion.

(3) ~~The municipality's~~ Upon the Director's request, a municipality submitting a request under subdivision (1) of this subsection (a) shall include a copy of the agreement, determination or final order, and any other documentation necessary to show the existence of these conditions.

(b) To the extent that the municipality has paid that liability, the ~~Commissioner~~ Director shall allow a credit for any reduction in education tax liability against the next ensuing year's education tax liability ~~or, at the request of the municipality, may refund to the municipality an amount equal to the reduction in education tax liability.~~

(c) If a listed value is increased as the result of an appeal under chapter 131 of this title or court action, whether adjudicated or settled and the ~~Commissioner~~ Director determines that the settlement value is the fair market value of the parcel, with no further appeal available with regard to that valuation, the ~~Commissioner~~ Director shall recalculate the municipality's education property tax for each year at issue, in accord with the increased valuation, and shall assess the municipality for the additional tax at the same time the ~~Commissioner~~ Director assesses the municipality's education tax liability for the next ensuing year, unless the resulting assessment would be less than \$300.00. Payment under this section shall be due with the municipality's education tax liability for the next ensuing year.

(d) Recalculation of education property tax under this section shall have no effect other than to reimburse or assess a municipality for education property tax changes ~~which~~ that result from property revaluation.

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

(f) Prior to the issuance of a final administrative determination or judicial order, a municipality may request that the Director certify that best practices were followed for purposes of meeting the requirements of subdivision (a)(1)(D) of this section. The Director may choose to grant certification, deny certification, or refrain from a decision until a request is submitted under subdivision (a)(1) of this section. The Director shall consider the potential impact on the Education Fund, the unique character of the subject property or properties, and any extraordinary circumstances when deciding whether to grant certification under this subsection. The Director shall be bound by a

decision to grant certification unless the municipality agrees to a settlement after such certification was made.

Sec. 28. GRAND LIST LITIGATION ASSISTANCE; STUDY

(a) The Attorney General, in consultation with the Vermont League of Cities and Towns, property owners, and other interested stakeholders, shall study approaches to assisting municipalities with expenses incurred during litigation pursuant to chapter 131 of this title, including assigning an Assistant Attorney General to the Division of Property Valuation and Review to support municipalities litigating complex matters.

(b) On or before December 1, 2017, the Attorney General shall submit a report to the Senate Committee on Finance and the House Committee on Ways and Means on the findings of the study described in subsection (a) of this section. The report shall include recommendations for legislative action based on the findings of the study.

Sec. 29. REIMBURSEMENT OF EDUCATION TAX LIABILITY;
REPORT

(a) On or before December 1, 2019, the Director of Property Valuation and Review shall submit a report to the Senate Committee on Finance and the House Committee on Ways and Means on the reimbursement of education tax liabilities to municipalities pursuant to Sec. 26a of this act.

(b) The report shall include:

(1) the annual number of reductions to the education grand list;

(2) the annual amount reimbursed to municipalities from the Education Fund; and

(3) the annual increase, if any, to the education grand list.

* * * Premium Tax Credit; Captive Insurance Companies * * *

Sec. 30. 8 V.S.A. § 6014(k) is amended to read:

(k) A captive insurance company first licensed under this chapter on or after January 1, ~~2011~~ 2017 shall receive a nonrefundable credit of ~~\$7,500.00~~ \$5,000.00 applied against the aggregate taxes owed for the first two taxable ~~year~~ years for which the company has liability under this section.

* * * Tax Credit for Affordable Housing; Captive Insurance Companies * * *

Sec. 31. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

(a) As used in this section:

* * *

(5) “Credit certificate” means a certificate issued by the allocating agency to a taxpayer that specifies the amount of affordable housing tax credits that can be applied against the taxpayer’s individual or corporate income tax, or franchise, captive insurance premium, or insurance premium tax liability as provided in this subchapter.

* * *

(c) Amount of credit. A taxpayer who makes an eligible cash contribution shall be entitled to claim against the taxpayer’s individual income, corporate, franchise, captive insurance premium, or insurance premium tax liability a credit in an amount specified on the taxpayer’s credit certificate. The first-year allocation of a credit amount to a taxpayer shall also be deemed an allocation of the same amount in each of the following four years.

* * *

* * * Downtown Tax Credits * * *

Sec. 32. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$2,200,000.00~~ \$2,400,000.00;

* * *

* * * Tax Increment Financing * * *

Sec. 33. 24 V.S.A. chapter 53, subchapter 5 is amended to read:

Subchapter 5. Tax Increment Financing

* * *

§ 1892. CREATION OF DISTRICT

* * *

(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district, ~~and the Vermont Economic Progress Council is not authorized to approve any additional tax increment financing districts even if one of the districts named in this subsection is terminated pursuant to subsection 1894(a) of this subchapter:~~

(1) the City of Burlington, Downtown;

- (2) the City of Burlington, Waterfront;
- (3) the Town of Milton, North and South;
- (4) the City of Newport;
- (5) the City of Winooski;
- (6) the Town of Colchester;
- (7) the Town of Hartford;
- (8) the City of St. Albans;
- (9) the City of Barre; ~~and~~
- (10) the Town of Milton, Town Core; and
- (11) the City of South Burlington, New Town Center.

* * *

§ 1894. POWER AND LIFE OF DISTRICT

* * *

(c) Use of the municipal property tax increment. For only debt incurred within the period permitted under subdivision (a)(1) of this section after creation of the district, and related costs, not less than an equal share plus five percent of the municipal tax increment pursuant to subsection (f) of this section shall be retained to service the debt, beginning the first year in which debt is incurred, pursuant to subsection (b) of this section.

* * *

(f) Equal share required. If any tax increment utilization is approved pursuant to 32 V.S.A. § 5404a(h), no more than 75 percent of the State property tax increment and no less than an equal percent, plus five percent, of the municipal tax increment may be approved by the Council or used by the municipality to service this debt.

* * *

Sec. 34. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

* * *

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply up to 75 percent of the State education property tax increment, and not less than an equal share plus five percent of the

municipal tax increment, as defined in 24 V.S.A. § 1896, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:

(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.

(2) The Council shall not approve more than two districts in a single county, and not more than an additional 14 districts in the State, provided:

(A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted against the limits imposed in this subdivision (2).

(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application that, in the Council's discretion, best meets the economic development needs of the county.

(C) If, while the General Assembly is not in session, the Council receives applications for districts that would otherwise qualify for approval but, if approved, would exceed the 14-district limit in the State, the Council shall make one or more presentations to the Emergency Board concerning the applications, and the Emergency Board may, in its discretion, increase the 14-district limit.

(3)(A) A municipality shall immediately notify the Council if it resolves not to incur debt for an approved district within five years of approval or a five-year extension period as required in 24 V.S.A. § 1894.

(B) Upon receiving notification pursuant to subdivision (3)(A) of this subsection, the Council shall terminate the district and may approve a new district, subject to the provisions of this section and 24 V.S.A. chapter 53, subchapter 5.

(4) The Council shall not approve any additional districts on or after July 1, 2024.

* * *

(h) Criteria for approval. To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:

(1) Review each application to determine that the ~~new real property~~ proposed infrastructure improvements and the proposed development would

not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. The review shall take into account:

(A) the amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;

(B) how the proposed development components and size would differ, if at all, without education property tax increment financing, including, if applicable to the development, the number of units of affordable housing, as defined in 24 V.S.A. § 4303; and

(C) the amount of additional revenue expected to be generated as a result of the proposed development; the percentage of that revenue that shall be paid to the education fund; the percentage that shall be paid to the municipality; and the percentage of the revenue paid to the municipality that shall be used to pay financing incurred for development of the tax increment financing district.

(2) Process requirements. Determine that each application meets all of the following four requirements:

(A) The municipality held public hearings and established a tax increment financing district in accordance with 24 V.S.A. §§ 1891-1900.

(B) The municipality has developed a tax increment financing district plan, including: a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements.

(C) The municipality has approved or pledged the utilization of incremental municipal tax revenues for purposes of the district in the same proportion as the utilization of education property tax revenues approved by the Vermont Economic Progress Council for the tax increment financing district.

(D) The proposed infrastructure improvements and the projected development or redevelopment are compatible with approved municipal and regional development plans, and the project has clear local and regional significance for employment, housing, and transportation improvements.

(3) Location criteria. Determine that each application meets one of the following criteria:

(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.

(B) The proposed district is within an approved growth center, designated downtown, designated village center, ~~or~~ new town center, or neighborhood development area.

(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the ~~area has experienced patterns of increasing unemployment, a drop in average wages, or a decline in real property values~~ municipality in which the area is located has at least one of the following:

(i) a median family income that is not more than 80 percent of the statewide median family income as reported by the Vermont Department of Taxes for the most recent year for which data is available;

(ii) an annual average unemployment rate that is at least one percent greater than the latest annual average statewide unemployment rate as reported by the Vermont Department of Labor; or

(iii) a median sales price for residential properties under six acres that is not more than 80 percent of the statewide median sales price for residential properties under six acres as reported by the Vermont Department of Taxes.

(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least ~~three~~ two of the following ~~five~~ four criteria:

~~(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.~~

~~(B)~~ The development includes new or rehabilitated affordable housing ~~that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. "Affordable" has the same meaning as in 10 V.S.A. § 6001(29), as defined in 24 V.S.A. § 4303.~~

~~(C)~~(B) The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

~~(D)~~(C) The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, ~~quality~~ high-quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the department of labor.

~~(E)~~(D) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.

* * *

* * * Repeals * * *

Sec. 35. REPEALS

The following are repealed:

- (1) 32 V.S.A. chapter 239 (games of chance).
- (2) 32 V.S.A. § 10010(c) (requirement that form for payment of land gains tax set out penalties in large type).
- (3) 2007 Acts and Resolves No. 81, Secs. 7a (amendment to sales tax exemption for aircraft parts) and 7b (effective date).
- (4) 2008 Acts and Resolves No. 190, Sec. 43 (extension of sales tax exemption for aircraft parts).
- (5) 21 V.S.A. chapter 25 (employer assessment).

* * * Effective Dates * * *

Sec. 36. EFFECTIVE DATES

This act shall take effect on passage except:

- (1) Notwithstanding 1 V.S.A. § 214, Sec. 7 (annual update of income tax link to the IRC) shall take effect retroactively on January 1, 2016 and apply to taxable years beginning on and after January 1, 2016.
- (2) Notwithstanding 1 V.S.A. § 214, Sec. 8 (estate tax) shall take effect retroactively on January 1, 2016.
- (3) Sec. 11 (3 V.S.A. chapter 10) shall take effect on passage, except for 3 V.S.A. § 242, which shall take effect when the VCIC has been authorized in statute to subscribe to the FBI Rap Back program.
- (4) Secs. 12–13 (break-open tickets) shall take effect on September 1, 2017, except the first quarter for which nonprofit organizations shall be required to comply with 31 V.S.A. § 1203(f) shall be the fourth quarter of 2017.

(5) Secs. 16–17 (transferring employer assessment from the Department of Labor to the Department of Taxes) and 27(5) shall take effect on January 1, 2018 with the return of the fourth quarter of 2017 being due on January 25, 2018.

(6) Sec. 19 (sales tax exemption for aircraft) shall take effect on July 1, 2017.

(7) Notwithstanding 1 V.S.A. § 214, Sec. 20 (use tax reporting) shall take effect retroactively on January 1, 2017 and apply to returns filed for tax year 2017 and after.

(8) Notwithstanding 1 V.S.A. § 214, Sec. 22 (third party settlement network reporting requirements) shall take effect retroactively on January 1, 2017 and apply to taxable year 2017 and after.

(9) Sec. 23 (additional noncollecting vendor reporting requirements) shall take effect on July 1, 2017.

(10) Secs. 27–29 (property tax appeals), 30 (premium tax credit), 31 (affordable housing tax credit), and 32 (downtown tax credits) shall take effect on July 1, 2017.

(11) Secs. 33 and 34 (tax increment financing districts) shall take effect on passage and shall apply only to tax increment financing district applications filed, and districts approved, on or after the date of passage of this act.

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

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

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance?, Senator Cummings moved to amend the ninth proposal of amendment of the Committee on Finance, as follows:

By inserting a new section to be numbered Sec. 29a to read as follows:

Sec. 29a. COMPENSATION FOR OVERPAYMENT

Notwithstanding any other provision of law, the sum of \$56,791.80 shall be transferred from the Education Fund to the Town of Georgia in fiscal year 2018 to compensate the town for an overpayment of education taxes in fiscal year 2017 due to an erroneous classification of certain property.

Which was agreed to.

Thereupon, pending the question?, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Finance, as amended?, Senators Sirotkin, Campion, Cummings, Degree, Lyons, MacDonald, Mullin and Pollina moved to amend the ninth proposal of amendment of the Committee on Finance, by striking out in their entirety Secs. 31–36 and inserting in lieu thereof the reader assistance and Secs. 31–53 to read:

* * * Vermont Employment Growth Incentive Program * * *

Sec. 31. 32 V.S.A. chapter 105 is amended to read:

CHAPTER 105. VERMONT EMPLOYMENT GROWTH
INCENTIVE PROGRAM

* * *

§ 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 would generate to the State ~~exceeds~~ would exceed the costs of the activity to the State.

(2) The host municipality welcomes the new business.

(3) ~~The~~ Pursuant to a self-certification or other documentation the Council requires by rule or procedure, the business attests to the best of its knowledge:

(A) the business is not a named party to an administrative order, consent decree, or judicial order issued by the State or a subdivision of the

State, or if a named party, that the business is in compliance with the terms of such an order or decree;

(B) the business complies with applicable State laws and regulations; and

(C) the proposed economic activity ~~conforms~~ would conform to applicable town and regional plans and with applicable State laws and regulations.

(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.

* * *

§ 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 by the Governor to, and approval of, the Joint Fiscal Committee.

(d) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(e) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.

(f) The purpose of the enhanced incentive for a business in a qualifying labor market area is to increase job growth in economically disadvantaged regions of the State, as provided in subsection (a) of this section.

§ 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.

(c) The purpose of the enhanced incentive for an environmental technology business is to promote the growth of businesses in Vermont that both create and sustain high quality jobs and improve the natural environment.

* * *

§ 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:

(1) 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; and

(2) a self-certification or other documentation the Department requires by rule or procedure, by which the business attests to the best of its knowledge that:

(A) the business is not a named party to an administrative order, consent decree, or judicial order issued by the State or a subdivision of the State, or if a named party, that the business is in compliance with the terms of such an order or decree; and

(B) the business complies with applicable State laws and regulations.

(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; or

(C) the Department determines that during the application or claims process the business knowingly made a false attestation that the business:

(i) was not a named party to, or was in compliance with, an administrative order, consent decree, or judicial order issued by the State or a subdivision of the State: or

(ii) was in compliance with State laws and regulations.

(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.

* * *

§ 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 Except for information required to be reported under section 3340 of this title or as provided in this section, 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 to the Vermont Economic Progress Council, or business-specific data generated by the Council as part of its consideration of an application under this subchapter, that is not otherwise publicly disclosed, is exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Records related to incentive claims under this chapter that are produced or acquired by the Department of Taxes are confidential returns or return information and are subject to the provisions of section 3102 of this title.

(b)(1) The Council shall disclose information and materials described in subsection (a) of this section:

(A) 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; and~~

(B) to the Auditor of Accounts in connection with the performance of duties under section 163 of this title; ~~provided, however, that the~~

(2) 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 materials received under this subsection except in accordance with a judicial order or as otherwise specifically provided~~ unless authorized 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.

* * *

* * * VEGI; Confidentiality * * *

Sec. 32. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

(a) No present or former officer, employee, or agent of the Department of Taxes shall disclose any return or return information to any person who is not an officer, employee, or agent of the Department of Taxes except in accordance with the provisions of this section. A person who violates this section shall be fined not more than \$1,000.00 or imprisoned for not more than one year, or both; and if the offender is an officer or employee of this State, he or she shall, in addition, be dismissed from office and be incapable of holding any public office for a period of five years thereafter.

* * *

(d) The Commissioner shall disclose a return or return information:

* * *

(5) to the Attorney General, if such return or return information relates to chapter 205 of this title or 33 V.S.A. chapter 19, subchapters 1A and 1B, for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40, 20 V.S.A. chapter 173, subchapter 2A, and 33 V.S.A. chapter 19, subchapters 1A and 1B;

(6) to the Vermont Economic Progress Council, provided that the disclosure relates to a successful business applicant under chapter 105, subchapter 2 of this title and the incentive it has claimed and is reasonably necessary for the Council to perform its duties under that subchapter.

(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:

* * *

(11) To the Joint Fiscal Office or its agent, provided that the disclosure relates to a successful business applicant under chapter 105, subchapter 2 of this title and the 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 that subchapter; to the Auditor of Accounts for the performance of duties under section 163 of this title; and 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 chapter 105, subchapter 2 of this title and the incentive it has claimed and is reasonably necessary for the Council to perform its duties under that subchapter.~~

* * *

* * * Public Retirement * * *

Sec. 33. THE GREEN MOUNTAIN SECURE RETIREMENT PLAN

(a) The State of Vermont shall, consistent with federal law and regulation, adopt and implement a voluntary Multiple Employer Plan (MEP) public retirement plan, which shall remain in compliance with federal law and regulations once implemented, and shall be called the "Green Mountain Secure Retirement Plan."

(b) The Plan shall be designed and implemented based upon the following guiding principles:

(1) Simplicity: the Plan should be easy for participants to understand.

(2) Affordability: the Plan should be administered to maximize cost effectiveness and efficiency.

(3) Ease of access: the Plan should be easy to join.

(4) Trustworthy oversight: the Plan should be administered by an organization with unimpeachable credentials.

(5) Protection from exploitation: the Plan should protect its participants, particularly the elderly, from unscrupulous business practices and individuals.

(6) Portability: the Plan should not depend upon employment with a specific firm or organization.

(7) Choice: the Plan should provide sufficient investment alternatives to be suitable for individuals with distinct goals, but not too many options to induce analysis paralysis.

(8) Voluntary: the Plan should not be mandatory but autoenrollment should be used to increase participation.

(9) Financial education and financial literacy: the Plan should assist the individual in understanding their financial situation.

(10) Sufficient savings: the Plan should encourage adequate savings in retirement combined with existing pension savings and Social Security.

(11) Additive not duplicative: the Plan should not compete with existing private sector solutions.

(12) Use of pretax dollars: contributions to the Plan should be made using pretax dollars.

(c) The Plan shall:

(1) be available on a voluntary basis to:

(A) employers:

(i) with 50 employees or fewer; and

(ii) who do not currently offer a retirement plan to their employees; and

(B) self-employed individuals;

(2) automatically enroll all employees of employers who choose to participate in the MEP;

(3) allow employees the option of withdrawing their enrollment and ending their participation in the MEP;

(4) be funded by employee contributions with an option for future voluntary employer contributions; and

(5) be overseen by a board:

(A) that shall:

(i) set program terms;

(ii) prepare and design plan documents; and

(iii) be authorized to appoint an administrator to assist in the selection of investments, managers, custodians, and other support services; and

(B) that shall be composed of seven members as follows:

(i) an individual with investment experience, to be appointed by the Governor;

(ii) an individual with private sector retirement plan experience, to be appointed by the Governor;

(iii) an individual with investment experience, to be appointed by the State Treasurer;

(iv) an individual who is an employee or retiree, to be appointed by the State Treasurer;

(v) an individual who is an employee advocate or consumer advocate, to be appointed by the Speaker of the House;

(vi) an individual who is an employer, to be appointed by the Committee on Committees; and

(vii) the State Treasurer, who shall serve as chair.

(d) The State of Vermont shall implement the "Green Mountain Secure Retirement Plan" on or before January 15, 2019, based on the recommendations of the Public Retirement Plan Study Committee as set forth in Sec. 34 of this act.

Sec. 34. 2016 Acts and Resolves No. 157, Sec. F.1 is amended to read:

Sec. F.1. INTERIM STUDY ON THE FEASIBILITY OF
ESTABLISHING A PUBLIC RETIREMENT PLAN

(a) Creation of Committee.

(1) There is created ~~a~~ the 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, and to develop specific recommendations concerning the design, creation, and implementation of the Multiple Employer Plan (MEP), pursuant to in Sec. 33 of H.516 (2017) as enacted and as set forth in the January 6, 2017 report issued by the Committee.

(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~~ develop specific recommendations concerning the design, creation, and implementation time line of the Multiple Employer Plan (MEP) public retirement plan, including the following pursuant to Sec. 33 of H.516 (2017) as enacted, which shall:

~~(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 be available on a voluntary basis to:~~

(I) employers:

(aa) with 50 employees or fewer; and

(bb) who do not currently offer a retirement plan to their employees; and

(II) self-employed individuals;

(ii) automatically enroll all employees of employers who choose to participate in the MEP;

(iii) allow employees the option of withdrawing their enrollment and ending their participation in the MEP;

(iv) be funded by employee contributions with an option for future voluntary employer contributions; and

(v) be overseen by a board that shall:

(I) set programs terms;

(II) prepare and design plan documents; and

(III) be authorized to appoint an administrator to assist in the selection of investments, managers, custodians, and other support services.

~~(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;~~ The Committee, and thereafter the board that will oversee the MEP, shall study and make specific recommendations concerning:

(i) options to provide access to retirement plans to individuals who are not eligible to participate in, or choose not to participate in, the MEP public retirement plan, including alternative plans and options vetted by the board that shall oversee the MEP, and which plans and options shall be provided through a marketplace implemented no earlier than one year after the MEP begins;

(ii) options for paying for the costs of administering the MEP for the period during which program costs may exceed revenues, including allowing financial service providers to subsidize costs in exchange for longer term contracts;

(iii) the composition, membership, and powers of the board that shall oversee the MEP;

(iv) if after three years there remain significant numbers of Vermonters who are not covered by a retirement plan, methods to increase participation in the MEP; 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~~ subdivisions (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 and (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.

* * * Workers' Compensation; VOSHA * * *

Sec. 35. 21 V.S.A. § 210 is amended to read:

§ 210. PENALTIES

(a) Upon issuance of a citation under this chapter, the Review Board is authorized to assess civil penalties for grounds provided in this subsection. In assessing civil penalties, the Review Board shall follow to the degree practicable the federal procedures prescribed in rules ~~promulgated~~ adopted under the Act. The Review Board shall give due consideration to the appropriateness of the penalty with respect to the size of the business or operation of the employer being assessed, the gravity of the violation, the good faith of the employer, and the history of previous violations. Civil penalties shall be paid to the Commissioner for deposit with the State Treasurer, and may be recovered in a civil action in the name of the State of Vermont brought in any court of competent jurisdiction. The Commissioner shall not reduce the assessed penalties in any fiscal year by more than 50 percent.

(1) Any employer who willfully or repeatedly violates the requirements of this Code or any standard; or rule adopted, or order ~~promulgated~~ issued pursuant to this Code ~~or regulations prescribed pursuant to this Code~~ may be assessed a civil penalty of not more than ~~\$70,000.00~~ \$126,749.00 for each violation, but not less than \$5,000.00 for each willful violation.

(2) Any employer who has received a citation for a serious violation of the requirements of this Code, or any standard; or rule adopted, or order ~~promulgated~~ issued pursuant to this Code, ~~or of any regulations prescribed pursuant to this Code~~, shall be assessed a civil penalty of up to ~~\$7,000.00~~ \$12,675.00 for each violation.

(3) Any employer who has received a citation for a violation of the requirements of this Code, or any standard; or rule adopted, or order ~~promulgated~~ issued pursuant to this Code ~~or of regulations prescribed pursuant~~

~~to this Code, and such violation if the violation~~ is specifically determined not to be of a serious nature, may be assessed a civil penalty of up to ~~\$7,000.00~~ \$12,675.00 for each such violation.

(4) Any employer who fails to correct a violation for which a citation has been issued within the period permitted for its correction, which period shall not begin to run until the date of the final order of the Review Board, in the case of any review proceeding under section 226 of this title initiated by the employer in good faith and not solely for delay or avoidance of penalties, may be assessed a civil penalty of not more than ~~\$7,000.00~~ \$12,675.00 for each day during which the failure or violation continues.

(5) Any employer who willfully violates any standard; ~~or rule adopted,~~ or order ~~promulgated~~ issued pursuant to this Code, and that violation caused death to any employee, shall, upon conviction, be punished by a fine of not more than ~~\$20,000.00~~ \$126,749.00 or by imprisonment for not more than one year, or by both.

* * *

(8) Any employer who violates any of the posting requirements, as prescribed under the provisions of this Code, shall be assessed a civil penalty of up to ~~\$7,000.00~~ \$12,675.00 for each violation.

(9)(A) As provided under the federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 and the Act, the penalties provided in subdivisions (1), (2), (3), (4), (5), and (8) of this subsection shall annually, on January 1, be adjusted to reflect the increase in the Consumer Price Index, CPI-U, U.S. City Average, not seasonally adjusted, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous December 1.

(B) The Commissioner shall calculate and publish the adjustment to the penalties on or before January 1 of each year and the penalties shall apply to fines imposed on or after that date.

* * *

Sec. 36. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

(a) A Workers' Compensation Administration Fund is created pursuant to 32 V.S.A. chapter 7, subchapter 5 to be expended by the Commissioner for the administration of the workers' compensation and occupational disease programs. The Fund shall consist of contributions from employers made at a rate of ~~1.75~~ 1.4 percent of the direct calendar year premium for workers' compensation insurance, one percent of self-insured workers' compensation losses, and one percent of workers' compensation losses of corporations

approved under this chapter. Disbursements from the Fund shall be on warrants drawn by the Commissioner of Finance and Management in anticipation of receipts authorized by this section.

* * *

* * * Workforce Development; Career and Technical Education * * *

Sec. 37. 10 V.S.A. § 540 is amended to read:

§ 540. ~~WORKFORCE EDUCATION AND TRAINING~~ DEVELOPMENT
LEADER

(a) The Commissioner of Labor shall be the leader of workforce ~~education and training~~ development 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 Development Board:

(A) advise the Governor on the establishment of an integrated system of workforce education and training for Vermont;

(B) create and maintain an inventory of all existing workforce education and training programs and activities in the State;

(C) use data to ensure that State workforce education and training activities are aligned with the needs of the available workforce, the current and future job opportunities in the State, and the specific credentials needed to achieve employment in those jobs;

(D) develop a State plan, as required by federal law, to ensure that workforce education and training programs and activities in the State serve Vermont citizens and businesses to the maximum extent possible;

(E) ensure coordination and non-duplication of workforce education and training activities;

(F) identify best practices and gaps in the delivery of workforce education and training programs;

(G) design and implement criteria and performance measures for workforce education and training activities; and

(H) establish goals for the integrated workforce education and training system.

(2) Require from each business, training provider, or program that receives State funding to conduct workforce education and training a report that evaluates the results of the training. Each recipient shall submit its report

on a schedule determined by the Commissioner and shall include at least the following information:

- (A) name of the person who receives funding;
- (B) amount of funding;
- (C) activities and training provided;
- (D) number of trainees and their general description, including the gender of the trainees;
- (E) employment status of trainees; and
- (F) future needs for resources.

(3) Review reports submitted by each recipient of workforce education and training funding.

(4) Issue an annual report to the Governor and the General Assembly on or before December 1 that includes a systematic evaluation of the accomplishments of the State workforce investment system and the performance of participating agencies and institutions.

(5) Coordinate public and private workforce programs to assure that information is easily accessible to students, employees, and employers, and that all information and necessary counseling is available through one contact.

(6) Facilitate effective communication between the business community and public and private educational institutions.

(7) Notwithstanding any provision of State law to the contrary, and to the fullest extent allowed under federal law, ensure that in each State and State-funded workforce education and training program, the program administrator collects and reports data and results at the individual level by Social Security Number or an equivalent.

(8) Coordinate within and across State government a comprehensive workforce development strategy that grows the workforce, recruits new workers to the State, and meets employers' workforce needs.

Sec. 38. 10 V.S.A. § 543 is amended to read:

§ 543. WORKFORCE EDUCATION AND TRAINING FUND; GRANT PROGRAMS

(a) Creation. There is created a Workforce Education and Training Fund in the Department of Labor to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) Purposes. The Department shall use the Fund for the following purposes:

(1) training for Vermont workers, including those who are unemployed, underemployed, or in transition from one job or career to another;

(2) internships to provide students with work-based learning opportunities with Vermont employers;

(3) apprenticeship, preapprenticeship, and industry-recognized credential training; and

(4) other workforce development initiatives related to current and future job opportunities in Vermont as determined by the Commissioner of Labor.

(c) Administrative and other support. The Department of Labor shall provide administrative support for the grant award process. When appropriate and reasonable the State Workforce Investment Board and all other public entities involved in economic development and workforce education and training shall provide other support in the process.

(d) Eligible activities.

(1) The Department shall grant awards from the Fund to employers and entities, including private, public, and nonprofit entities, institutions of higher education, high schools, middle schools, technical centers, and workforce education and training programs that:

(A) create jobs, offer education, training, apprenticeship, preapprenticeship and industry-recognized credentials, mentoring, career planning, or work-based learning activities, or any combination;

(B) employ student-oriented approaches to workforce education and training; and

(C) link workforce education and economic development strategies.

(2) The Department may fund programs or projects that demonstrate actual increased income and economic opportunity for employees and employers for more than one year.

(3) The Department may fund student internships and training programs that involve the same employer in multiple years with approval of the Commissioner.

(e) [Repealed].

(f) Awards. The Commissioner of Labor, in consultation with the Chair of the State Workforce Development Board, shall develop award criteria and may grant awards to the following:

(1) Training Programs.

(A) Public, private, and nonprofit entities, including employers and education and training providers, for existing or new training programs that enhance the skills of Vermont workers and:

(i) train workers for trades or occupations that are expected to lead to jobs paying at least 200 percent of the current minimum wage or at least 150 percent if benefits are included; this requirement may be waived when warranted based on regional or occupational wages or economic reality;

(ii) do not duplicate, supplant, or replace other available training funded with public money;

(iii) provide a project timeline, including performance goals, and identify how the effectiveness and outcomes of the program will be measured, including for the individual participants, the employers, and the program as a whole; and

(iv) articulate the need for the training and the direct connection between the training and the job.

(B) The Department shall grant awards under this subdivision (1) to programs or projects that:

(i) offer innovative programs of intensive, student-centric, competency-based education, training, apprenticeship, preapprenticeship and industry-recognized credentials, mentoring, or any combination of these;

(ii) address the needs of workers who are unemployed, underemployed, or are at risk of becoming unemployed, and workers who are in transition from one job or career to another;

(iii) address the needs of employers to hire new employees, or retrain incumbent workers, when the employer has demonstrated a need not within the normal course of business, with priority to training that results in new or existing job openings for which the employer intends to hire; or

(iv) in the discretion of the Commissioner, otherwise serve the purposes of this chapter.

(2) Vermont Strong Internship Program. Funding for eligible internship programs and activities under the Vermont Strong Internship Program established in section 544 of this title.

(3) Apprenticeship Program. The Vermont Apprenticeship Program established under 21 V.S.A. chapter 13. Awards under this subdivision may be used to fund the cost of apprenticeship-related instruction provided by the Department of Labor.

(4) Career Focus and Planning programs. Funding for one or more programs that institute career training and planning for young Vermonters, beginning in middle school.

* * * Vermont Minimum Wage * * *

Sec. 39. MINIMUM WAGE STUDY

(a) Creation. There is created a Minimum Wage Study Committee.

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

(1) three current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House; and

(2) three current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall study the following issues:

(1) the minimum wage in Vermont and livable wage in Vermont in relation to real cost of living;

(2) the economic effects of small to large increases in the Vermont minimum wage, including in relation to the minimum wage in neighboring states;

(3) how the potential for improving economic prosperity for Vermonters with low and middle income through the Vermont Earned Income Tax Credit might interact with raising the minimum wage;

(4) specific means of mitigating the “benefits cliff,” especially for those earning below the livable wage, to enhance work incentives;

(5) the effects of potential reductions in federal transfer payments as the minimum wage increases, and impacts of possible reductions in federal benefits due to changes in federal law;

(6) ways to offset losses in State and federal benefits through State benefit programs or State tax policy; and

(7) further research to better understand the maximum beneficial minimum wage level in Vermont.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Joint Fiscal Office, the Office of Legislative Council, the Department of Labor, the Department of Taxes, and the Agency of Human Services.

(e) Report. On or before December 1, 2017, the Committee shall submit a written report with its findings and any recommendations for legislative action to the Senate Committee on Economic Development, Housing and General Affairs, and the House Committee on General, Housing and Military Affairs.

(f) Meetings.

(1) The Joint Fiscal Office shall convene the first meeting of the Committee on or before July 1, 2017.

(2) A majority of the membership shall constitute a quorum.

(3) The members of the Committee shall select a chair at its first meeting.

(4) The Committee shall cease to exist on December 1, 2017.

(g) Reimbursement. For attendance at meetings during adjournment of the General Assembly, legislative members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for no more than five meetings.

* * * Financial Technology * * *

Sec. 40. FINANCIAL TECHNOLOGY

(a) The General Assembly finds:

(1) The field of financial technology is rapidly expanding in scope and application.

(2) These developments present both opportunities and challenges.

(3) On the opportunity side, Vermont has been a leader in previous innovations in finance in contexts such as captive insurance.

(4) The existing Vermont legislation on blockchain technology and other aspects of e-finance have given Vermont the potential for leadership in this new era of innovation as well, with the possibility of expanded economic activity in the financial technology sector that would provide opportunities for employment, tax revenues, and other benefits.

(5) Furthermore, it is important for Vermonters that these developments proceed in ways that do not create avoidable risks for individuals and enterprises in the new e-economy.

(6) The legislative and regulatory response in Vermont will be critical to our ability to embrace the benefits of financial technology and to avoid challenges it may create.

(b)(1) In order to permit the legislature to respond to these developing opportunities and concerns on an informed basis, on or before November 30, 2017 the Center for Legal Innovation at Vermont Law School, in consultation

with the Commissioner of Financial Regulation, the Secretary of Commerce and Community Development, and the Attorney General, shall submit a report to the General Assembly that includes:

(A) findings and recommendations on the potential opportunities and risks presented by developments in financial technology;

(B) suggestions for an overall policy direction and proposals for legislative and regulatory action that would effectively implement that policy direction; and

(C) measurable goals and outcomes that would indicate success in the implementation of such a policy.

(2) In developing the background for this report, the Center, Commissioner, Secretary, and Attorney General may consult such other constituencies and stakeholders within and outside of the State as they may determine for information that will be helpful to their considerations.

* * * Municipal Outreach; Sewerage and Water Service Connections * * *

Sec. 41. AGENCY OF NATURAL RESOURCES; EDUCATION AND
OUTREACH; DELEGATION; SEWERAGE AND WATER
SERVICE CONNECTIONS

(a) The Secretary of Natural Resources, after consultation with the Vermont League of Cities and Towns, shall conduct outreach and education for municipalities regarding the ability of a municipality under 10 V.S.A. § 1976 to be delegated the authority to permit the connection of a municipal sewer or water service line to subdivided land, a building, or a campground.

(b) The education and outreach shall specify the conditions or requirements for delegation, how a municipality can seek delegation, and contact information or other resource to provide additional information regarding delegation. The education and outreach may include educational materials, workshops, or classes regarding the ability of a municipality to be delegated under 10 V.S.A. § 1976 the permitting of sewer and water service connection.

(c) On or before January 15, 2018, the Secretary of Natural Resources shall submit a report to the Senate Committees on Natural Resources and Energy and on Economic Development, Housing and General Affairs and the House Committees on Natural Resources, Fish and Wildlife and on Commerce and Economic Development summarizing the education and outreach conducted or planned by the Secretary under the requirements of this section and whether any municipality has sought delegation of sewer and water service connection permitting under 10 V.S.A. § 1976 since the effective date of this act.

* * * Municipal Land Use and Development; Affordable Housing * * *

Sec. 42. 24 V.S.A. § 4303 is amended to read:

§ 4303. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context otherwise requires:

(1) “Affordable housing” means either of the following:

(A) ~~Housing that is owned by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees is not more than 30 percent of the household’s gross annual income.~~ Owner-occupied housing for which the total annual cost of ownership, including principal, interest, taxes, insurance, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 120 percent of the highest of the following:

(i) the county median income, as defined by the U.S. Department of Housing and Urban Development;

(ii) 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; or

(iii) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

(B) ~~Housing that is rented by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the household’s gross annual income.~~ Rental housing for which the total annual cost of renting, including rent, utilities, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 80 percent of the highest of the following:

(i) the county median income, as defined by the U.S. Department of Housing and Urban Development;

(ii) 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; or

(iii) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

* * *

* * * Act 250; Priority Housing Projects * * *

Sec. 43. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

In this chapter:

* * *

(3)(A) “Development” means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land, and within any continuous period of five years. However:

(I) A priority housing project shall constitute a development under this subdivision (iv) only if the number of housing units in the project is:

(aa) ~~275 or more, in a municipality with a population of 15,000 or more;~~ [Repealed.]

(bb) ~~150 or more, in a municipality with a population of 10,000 or more but less than 15,000;~~ [Repealed.]

(cc) 75 or more, in a municipality with a population of 6,000 or more but less than 10,000; ~~and~~

(dd) 50 or more, in a municipality with a population of 3,000 or more but less than 6,000; ~~and~~

(ee) 25 or more, in a municipality with a population of less than 3,000; ~~and~~

(ff) ~~notwithstanding~~ Notwithstanding subdivisions (aa)(cc) through (ee) of this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the demolition of one or more buildings that are listed on or eligible to be listed on the State or National Register of Historic Places. However,

demolition shall not be considered to create jurisdiction under this subdivision if the Division for Historic Preservation has determined that the proposed demolition will have no adverse effect, will have no adverse effect if specified conditions are met, or will have an adverse effect that will be adequately mitigated. Any imposed conditions shall be enforceable through a grant condition, deed covenant, or other legally binding document.

(II) The determination of jurisdiction over a priority housing project shall count only the housing units included in that discrete project.

(III) Housing units in a priority housing project shall not count toward determining jurisdiction over any other project.

* * *

(D) The word “development” does not include:

* * *

(viii) The construction of a priority housing project in a municipality with a population of 10,000 or more. However, if the construction of the project involves demolition of one or more buildings that are listed or eligible to be listed on the State or National Register of Historic Places, this exemption shall not apply unless the Division for Historic Preservation has made the determination described in subdivision (A)(iv)(I)(ff) of this subdivision (3) and any imposed conditions are enforceable in the manner set forth in that subdivision.

* * *

(27) “Mixed income housing” means a housing project in which the following apply:

(A) Owner-occupied housing. At the option of the applicant, owner-occupied housing may be characterized by either of the following:

(i) at least 15 percent of the housing units have a purchase price which at the time of first sale does not exceed 85 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency; or

(ii) at least 20 percent of the housing units have a purchase price which at the time of first sale does not exceed 90 percent of the new construction, targeted area purchase price limits established and published annually by the Vermont Housing Finance Agency;

(B) ~~Housing~~ Rental housing. At least 20 percent of the housing units that are rented constitute affordable housing and have a duration of affordability of ~~no not~~ not less than 20 15 years.

(28) “Mixed use” means construction of both mixed income housing and construction of space for any combination of retail, office, services, artisan, and recreational and community facilities, provided at least 40 percent of the gross floor area of the buildings involved is mixed income housing. “Mixed use” does not include industrial use.

(29) “Affordable housing” means either of the following:

(A) ~~Housing that is owned by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees is not more than 30 percent of the household’s gross annual income.~~ Owner-occupied housing for which the total annual cost of ownership, including principal, interest, taxes, insurance, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 120 percent of the highest of the following:

(i) the county median income, as defined by the U.S. Department of Housing and Urban Development;

(ii) 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; or

(iii) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

(B) ~~Housing that is rented by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the household’s gross annual income.~~ Rental housing for which the total annual cost of renting, including rent, utilities, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 80 percent of the highest of the following:

(i) the county median income, as defined by the U.S. Department of Housing and Urban Development;

(ii) 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; or

(iii) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

* * *

(35) "Priority housing project" means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of:

(A) mixed income housing or mixed use, or any combination thereof, and is located entirely within a designated downtown development district, designated new town center, designated growth center, or designated village center that is also a designated neighborhood development area under 24 V.S.A. chapter 76A; or

(B) mixed income housing and is located entirely within a designated Vermont neighborhood or designated neighborhood development area under 24 V.S.A. chapter 76A.

* * *

Sec. 44. 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.

* * *

(o) If a ~~downtown development district~~ designation pursuant to 24 V.S.A. ~~§ 2793~~ chapter 76A is removed, subsection (a) of this section shall apply to any subsequent substantial change to a priority housing project that was originally exempt pursuant to subdivision 6001(3)(A)(iv)(I) of this title on the basis of that designation.

(p)(1) No permit or permit amendment is required for any change to a project that is located entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of any combination of mixed use and mixed income housing, and the cumulative changes within any continuous period of five years, commencing on or after the effective date of this subsection, remain below ~~the~~ any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title.

(2) No permit or permit amendment is required for a priority housing project in a designated center other than a downtown development district if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title and will comply with all conditions of any existing permit or permit amendment issued under this chapter that applies to the tract or tracts on which the project will be located. If such a priority housing project will not comply with one or more of these conditions, an application may be filed pursuant to section 6084 of this title.

* * *

Sec. 45. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS, COMMENCEMENT OF REVIEW

* * *

(f) This subsection concerns an application for a permit amendment to change the conditions of an existing permit or permit amendment in order to authorize the construction of a priority housing project described in subdivision 6081(p)(2) of this title.

(1) The District Commission may authorize a district coordinator to issue such an amendment, without notice and a hearing, if the applicant demonstrates that all parties to the permit or permit amendment or their successors in interest have consented to the proposed changes to conditions relative to the criteria for which the party retained party status.

(2) If the applicant is not able to obtain the consent of a party or parties or their successors in interest with respect to one or more of the conditions proposed to be changed, the applicant shall file a permit application pursuant to this section. However, review by the District Commission shall be limited to whether the changes to conditions not consented to by the party or parties or their successors in interest enable positive findings under subsection 6086(a) and are authorized under subsection 6086(c) of this title.

Sec. 46. 30 V.S.A. § 55 is added to read:

§ 55. PRIORITY HOUSING PROJECTS; STRETCH CODE

A priority housing project as defined in 10 V.S.A. § 6001 shall meet or exceed the stretch codes established under this subchapter by the Department of Public Service.

* * * ACCD; Publication of Median Household Income and Qualifying Costs
for Affordable Housing * * *

Sec. 47. 3 V.S.A. § 2472 is amended to read:

§ 2472. DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT

(a) The Department of Housing and Community Development is created within the Agency of Commerce and Community Development. The Department shall:

* * *

(5) In conjunction with the Vermont Housing Finance Agency, annually publish data and information to enable the public to determine income levels and costs for owner-occupied and rental housing to qualify as affordable housing, as defined in 24 V.S.A. § 4303 and 10 V.S.A. § 6001(29), including:

(A) the median income for each Vermont county, as defined by the U.S. Department of Housing and Urban Development;

(B) the standard metropolitan statistical area median income for each municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; and

(C) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.

* * *

* * * Downtown Tax Credits * * *

Sec. 48. 32 V.S.A. § 5930ee is amended to read:

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$2,200,000.00~~ \$2,400,000.00;

* * *

* * * Tax Credit for Affordable Housing; Captive Insurance Companies * * *

Sec. 49. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

(a) As used in this section:

* * *

(5) “Credit certificate” means a certificate issued by the allocating agency to a taxpayer that specifies the amount of affordable housing tax credits that can be applied against the taxpayer’s individual or corporate income tax, or franchise, captive insurance premium, or insurance premium tax liability as provided in this subchapter.

* * *

(c) Amount of credit. A taxpayer who makes an eligible cash contribution shall be entitled to claim against the taxpayer’s individual income, corporate, franchise, captive insurance premium, or insurance premium tax liability a credit in an amount specified on the taxpayer’s credit certificate. The first-year allocation of a credit amount to a taxpayer shall also be deemed an allocation of the same amount in each of the following four years.

* * *

* * * Vermont State Housing Authority; Powers * * *

Sec. 50. 24 V.S.A. § 4005 is amended to read:

§ 4005. VERMONT STATE HOUSING AUTHORITY; ESTABLISHMENT, MEMBERS, POWERS

* * *

(e) Notwithstanding any provision of law, no person, ~~domestic or foreign~~, shall be authorized to administer allocations of money under 42 U.S.C.A. § 1437a or 1437f or other federal statute authorizing rental subsidies for the benefit of persons of low or moderate income, except:

- (1) ~~a subcontractor of the State Authority; or~~
- (2) a State public body authorized by law to administer such allocations;
- (3) a person authorized to administer such allocations pursuant to an agreement with the State Authority; or
- (4) an organization, of which the State Authority is a promoter, member, associate, owner, or manager, that is authorized by a federal agency to administer such allocations in this State.

(f) In addition to the powers granted by this chapter, the State Authority shall have all the powers necessary or convenient for the administration of federal monies pursuant to subsection (e) of this section, including the power:

- (1) to enter into one or more agreements for the administration of federal monies;

(2) to be a promoter, partner, member, associate, owner, or manager of any partnership, limited liability company, joint venture, association, trust, or other organization;

(3) to conduct its activities, locate offices, and exercise the powers granted by this title within or outside this State;

(4) to carry on a business in the furtherance of its purposes; and

(5) to do all things necessary or convenient, consistent with law, to further the activities and affairs of the Authority.

* * * Tax Increment Financing Districts * * *

Sec. 51. 24 V.S.A. chapter 53, subchapter 5 is amended to read:

Subchapter 5. Tax Increment Financing

* * *

§ 1892. CREATION OF DISTRICT

* * *

(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district, ~~and the Vermont Economic Progress Council is not authorized to approve any additional tax increment financing districts even if one of the districts named in this subsection is terminated pursuant to subsection 1894(a) of this subchapter:~~

- (1) the City of Burlington, Downtown;
- (2) the City of Burlington, Waterfront;
- (3) the Town of Milton, North and South;
- (4) the City of Newport;
- (5) the City of Winooski;
- (6) the Town of Colchester;
- (7) the Town of Hartford;
- (8) the City of St. Albans;
- (9) the City of Barre; ~~and~~
- (10) the Town of Milton, Town Core; and
- (11) the City of South Burlington, New Town Center.

* * *

§ 1894. POWER AND LIFE OF DISTRICT

* * *

(c) Use of the municipal property tax increment. For only debt incurred within the period permitted under subdivision (a)(1) of this section after creation of the district, and related costs, not less than an equal share plus five percent of the municipal tax increment pursuant to subsection (f) of this section shall be retained to service the debt, beginning the first year in which debt is incurred, pursuant to subsection (b) of this section.

* * *

(f) Equal share required. If any tax increment utilization is approved pursuant to 32 V.S.A. § 5404a(h), no more than 75 percent of the State property tax increment and no less than an equal percent, plus five percent, of the municipal tax increment may be approved by the Council or used by the municipality to service this debt.

* * *

Sec. 52. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT
FINANCING DISTRICTS

* * *

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply up to 75 percent of the State education property tax increment, and not less than an equal share plus five percent of the municipal tax increment, as defined in 24 V.S.A. § 1896, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:

(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.

(2) The Council shall not approve more than two districts in a single county, and not more than an additional 14 districts in the State, provided:

(A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted against the limits imposed in this subdivision (2).

(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application

that, in the Council's discretion, best meets the economic development needs of the county.

(C) If, while the General Assembly is not in session, the Council receives applications for districts that would otherwise qualify for approval but, if approved, would exceed the 14-district limit in the State, the Council shall make one or more presentations to the Emergency Board concerning the applications, and the Emergency Board may, in its discretion, increase the 14-district limit.

(3)(A) A municipality shall immediately notify the Council if it resolves not to incur debt for an approved district within five years of approval or a five-year extension period as required in 24 V.S.A. § 1894.

(B) Upon receiving notification pursuant to subdivision (3)(A) of this subsection, the Council shall terminate the district and may approve a new district, subject to the provisions of this section and 24 V.S.A. chapter 53, subchapter 5.

(4) The Council shall not approve any additional districts on or after July 1, 2024.

* * *

(h) Criteria for approval. To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:

(1) Review each application to determine that the ~~new real property~~ proposed infrastructure improvements and the proposed development would not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. The review shall take into account:

(A) the amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;

(B) how the proposed development components and size would differ, if at all, without education property tax increment financing, including, if applicable to the development, the number of units of affordable housing, as defined in 24 V.S.A. § 4303; and

(C) the amount of additional revenue expected to be generated as a result of the proposed development; the percentage of that revenue that shall be paid to the education fund; the percentage that shall be paid to the municipality; and the percentage of the revenue paid to the municipality that

shall be used to pay financing incurred for development of the tax increment financing district.

(2) Process requirements. Determine that each application meets all of the following four requirements:

(A) The municipality held public hearings and established a tax increment financing district in accordance with 24 V.S.A. §§ 1891-1900.

(B) The municipality has developed a tax increment financing district plan, including: a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements.

(C) The municipality has approved or pledged the utilization of incremental municipal tax revenues for purposes of the district in the same proportion as the utilization of education property tax revenues approved by the Vermont Economic Progress Council for the tax increment financing district.

(D) The proposed infrastructure improvements and the projected development or redevelopment are compatible with approved municipal and regional development plans, and the project has clear local and regional significance for employment, housing, and transportation improvements.

(3) Location criteria. Determine that each application meets one of the following criteria:

(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.

(B) The proposed district is within an approved growth center, designated downtown, designated village center, ~~or~~ new town center, or neighborhood development area.

(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the ~~area has experienced patterns of increasing unemployment, a drop in average wages, or a decline in real property values~~ municipality in which the area is located has at least one of the following:

(i) a median family income that is 80 percent or less of the statewide median family income as reported by the Vermont Department of Taxes for the most recent year for which data is available;

(ii) an annual average unemployment rate that is at least one percent greater than the latest annual average statewide unemployment rate as reported by the Vermont Department of Labor; or

(iii) a median sales price for residential properties under six acres that is 80 percent or less than the statewide median sales price for residential properties under six acres as reported by the Vermont Department of Taxes.

(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least ~~three~~ two of the following ~~five~~ four criteria:

~~(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.~~

~~(B) The development includes new or rehabilitated affordable housing that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. "Affordable" has the same meaning as in 10 V.S.A. § 6001(29), as defined in 24 V.S.A. § 4303.~~

~~(C)~~(B) The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

~~(D)~~(C) The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the department of labor.

~~(E)~~(D) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.

* * *

* * * Effective Dates * * *

Sec. 53. EFFECTIVE DATES

This act shall take effect on passage except:

(1) Notwithstanding 1 V.S.A. § 214, Sec. 7 (annual update of income tax link to the IRC) shall take effect retroactively on January 1, 2016 and apply to taxable years beginning on and after January 1, 2016.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 8 (estate tax) shall take effect retroactively on January 1, 2016.

(3) Sec. 11 (3 V.S.A. chapter 10) shall take effect on passage, except for 3 V.S.A. § 242, which shall take effect when the VCIC has been authorized in statute to subscribe to the FBI Rap Back program.

(4) Secs. 12–13 (break-open tickets) shall take effect on September 1, 2017, except the first quarter for which nonprofit organizations shall be required to comply with 31 V.S.A. § 1203(f) shall be the fourth quarter of 2017.

(5) Secs. 16–17 (transferring employer assessment from the Department of Labor to the Department of Taxes) and 27(5) shall take effect on January 1, 2018 with the return of the fourth quarter of 2017 being due on January 25, 2018.

(6) Sec. 19 (sales tax exemption for aircraft) shall take effect on July 1, 2017.

(7) Notwithstanding 1 V.S.A. § 214, Sec. 20 (use tax reporting) shall take effect retroactively on January 1, 2017 and apply to returns filed for tax year 2017 and after.

(8) Notwithstanding 1 V.S.A. § 214, Sec. 22 (third party settlement network reporting requirements) shall take effect retroactively on January 1, 2017 and apply to taxable year 2017 and after.

(9) Sec. 23 (additional noncollecting vendor reporting requirements) shall take effect on July 1, 2017.

(10) Secs. 27–29 (property tax appeals) and 30 (premium tax credit) shall take effect on July 1, 2017.

(11) Secs. 31–50 (economic development provisions) shall take effect on July 1, 2017.

(12) Secs. 51 and 52 (tax increment financing districts) shall take effect on passage and shall apply only to tax increment financing district applications filed, and districts approved, on or after the date of passage of this act.

Which was agreed to.

Thereupon, the proposals of amendment recommended by the Committee on Finance, as amended, were agreed to and third reading of the bill was ordered, on a roll call, Yeas 30, Nays 0.

Senator Campion 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, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Consideration Resumed; Bill Amended; Consideration Postponed**H. 515.**

Consideration was resumed on Senate bill entitled:

An act relating to Executive Branch and Judiciary fees.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Finance, as amended? Senator Lyons moved to amend the proposal of amendment of the Committee on Finance, as amended as follows:

In the *Second* proposal of amendment, in Sec. 5., 18 V.S.A., by amending §4309 to read as follows:

§ 4309. PENALTY

A person who violates a provision of this ~~subchapter~~ chapter or 6 V.S.A. § 3312(d), for which no other penalty is provided, shall be fined not more than \$300.00 for the first offense and, for each subsequent offense, not more than \$500.00.

Which was agreed to.

Thereupon, pending the question, Shall the proposal of amendment of the Committee Finance, as amended be adopted?, on motion of Senator Cummings, consideration of the bill was postponed until the next legislative day.

Committees of Conference Appointed**S. 50.**

An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Ayer
Senator Lyons
Senator Ingram

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. 75.

An act relating to aquatic nuisance species control.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Rodgers
Senator Campion
Senator Bray

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. 54

A message was received from the House of Representatives by Ms. Rebecca Silbernagel, 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. 524. An act relating to approval of amendments to the charter of the Town of Hartford.

H. 527. An act relating to approval of amendments to the charter of the Town of East Montpelier and to the merger of the Town and the East Montpelier Fire District No. 1.

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

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

S. 10. An act relating to liability for the contamination of potable water supplies.

S. 52. An act relating to the Public Service Board and its proceedings.

S. 130. An act relating to miscellaneous changes to education laws.

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 proposal of amendment to House bill of the following title:

H. 145. An act relating to establishing the Mental Health Crisis Response Commission.

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

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

S. 23. An act relating to juvenile jurisdiction.

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. 74. An act relating to nonconsensual sexual conduct.

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. Grad of Moretown
Rep. Morris of Bennington
Rep. Dickinson of St. Albans Town

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

H. 508. An act relating to building resilience for individuals experiencing adverse childhood experiences.

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. Pugh of South Burlington
Rep. Mrowicki of Putney
Rep. Rosenquist of Georgia.

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

J.R.S. 32. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

The Governor has informed the House that on the March 2, 2017, he approved and signed a bill originating in the House of the following title:

H. 125. An act relating to fiscal year 2017 budget adjustments.

Adjournment

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning.

THURSDAY, APRIL 27, 2017

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bills Referred

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

H. 524.

An act relating to approval of amendments to the charter of the Town of Hartford.

To the Committee on Rules.

H. 527.

An act relating to approval of amendments to the charter of the Town of East Montpelier and to the merger of the Town and the East Montpelier Fire District No. 1.

To the Committee on Rules.

Consideration Resumed; Bill Amended; Third Reading Ordered

H. 515.

Consideration was resumed on Senate bill entitled:

An act relating to Executive Branch and Judiciary fees.

Thereupon, pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Finance, as amended?, Senators Ayer, Lyons and Ingram moved to amend the proposal of amendment of the Committee on Finance, as amended as follows:

First: In the second proposal of amendment in Sec. 5, 18 V.S.A. chapter 85, by striking out subchapter 7 (short-term rentals) in its entirety.

Second: In the second proposal of amendment in Sec. 6 (Short-Term Rental Working Group; report), by striking subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Creation. There is created the Short-Term Rental Working Group within the Department of Health for the purpose of analyzing and developing a proposal for regulation of the short-term rental industry in Vermont, including an evaluation of:

(1) the impact of short-term rentals on Vermont's hospitality industry;

(2) policies to level the playing field between short-term rentals and other lodging establishments, such as unit registration and self-certification of unit compliance with State health and safety laws and rules;

(3) necessary precautions to protect the health and safety of the transient, traveling, or vacationing public;

(4) policies implemented in other states and municipalities to regulate short-term rentals;

(5) the appropriate registration fee for short-term rentals, if any; and

(6) alternative definitions of "short-term rentals" to that enacted in 18V.S.A. § 4301.

Third: In the second proposal of amendment by striking Sec. 7 in its entirety with its reader assistance and inserting in lieu thereof a new Sec. 7 to read as follows:

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

Which was agreed to.

Thereupon, the recurring question, Shall the Senate propose to the House to amend the bill as proposed by the Committee on Finance, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

House Proposal of Amendment Concurred In with Amendment

S. 56.

House proposal of amendment to Senate bill entitled:

An act relating to life insurance policies and the Vermont Uniform Securities Act.

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:

* * * Secondary Addressee for Life Insurance * * *

Sec. 1. 8 V.S.A. § 3762(d) is added to read:

(d) No individual policy of life insurance covering an individual 64 years of age or older that has been in force for at least one year shall be canceled for nonpayment of premium unless, after expiration of the grace period and not less than 21 days before the effective date of any such cancellation, the insurer has mailed a notice of impending cancellation in coverage to the policyholder and to a specified secondary addressee if such addressee has been designated by name and address in writing by the policyholder. An insurer shall notify the applicant of the right to designate a secondary addressee at the time of application for the policy on a form provided by the insurer, and annually thereafter, and the policyholder shall have the right to designate a secondary addressee, in writing, by name and address, at any time the policy is in force, by submitting such written notice to the insurer. If a life insurance policy provides a grace period longer than 51 days for nonpayment of premium, the notice of cancellation in coverage required by this subsection shall be mailed to the policyholder and to the secondary addressee not less than 21 days prior to the expiration of the grace period provided in such policies.

* * * Penalty Enhancements for Violations Involving a
Vulnerable Adult * * *

Sec. 2. 8 V.S.A. § 24 is amended to read:

§ 24. SENIOR INVESTOR PROTECTION

* * *

(e) The Commissioner, in addition to other powers conferred on the Commissioner by law, may increase the amount of an administrative penalty by not more than \$5,000.00 per violation for violations involving a person who is a vulnerable adult as defined in 33 V.S.A. § 6902(14).

* * * Securities Act Penalties, Generally; Vulnerable Adults * * *

Sec. 3. 9 V.S.A. § 5412(c) is amended to read:

(c) If the Commissioner finds that the order is in the public interest and subdivisions (d)(1) through (6), (8), (9), (10), (12), or (13) of this section authorize the action, an order under this chapter may censure, impose a bar on, or impose a civil penalty on a registrant in an amount not more than \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~, and recover the costs of the investigation from the registrant, and, if the registrant is a broker-dealer or investment adviser, a partner, officer,

director, or person having a similar status or performing similar functions, or a person directly or indirectly in control of the broker-dealer or investment adviser. The limitations on civil penalties contained in this subsection shall not apply to settlement agreements.

Sec. 4. 9 V.S.A. § 5603(b)(2)(C) is amended to read:

(C) imposing a civil penalty up to \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~; an order of rescission, restitution, or disgorgement directed to a person that has engaged in an act, practice, or course of business constituting a violation of this chapter or the predecessor act or a rule adopted or an order issued under this chapter or the predecessor act. The court may increase a civil penalty amount by not more than \$5,000.00 per violation for violations involving a person who is a vulnerable adult as defined in 33 V.S.A. § 6902(14). The limitations on civil penalties contained in this subdivision shall not apply to settlement agreements; and

Sec. 5. 9 V.S.A. § 5604(d) is amended to read:

(d) In a final order under subsection (b) or (c) of this section, the Commissioner may impose a civil penalty of not more than \$15,000.00 for each violation ~~and not more than \$1,000,000.00 for more than one violation~~. The Commissioner may also require a person to make restitution or provide disgorgement of any sums shown to have been obtained in violation of this chapter, plus interest at the legal rate. The limitations on civil penalties contained in this subsection shall not apply to settlement agreements.

* * * Securities Act Housekeeping * * *

Sec. 6. 9 V.S.A. § 5302 is amended to read:

§ 5302. NOTICE FILING

* * *

(c) With respect to a security that is a federal covered security under 15 U.S.C. § ~~77r(b)(4)(E)~~ § 77r(b)(4)(F), a rule under this chapter may require a notice filing by or on behalf of an issuer to include a copy of Form D, including the Appendix, as promulgated by the Securities and Exchange Commission, and a consent to service of process complying with section 5611 of this chapter signed by the issuer not later than 15 days after the first sale of the federal covered security in this State and the payment of a fee as set forth in subsection (e) of this section. The notice filing shall be effective for one year from the date the notice filing is accepted as complete by the Office of the Commissioner. On or before expiration, the issuer may annually renew a notice filing by filing a copy of those records filed by the issuer with the Securities and Exchange Commission that are required by rule or order under

this chapter to be filed and by paying an annual renewal fee as set forth in subsection (e) of this section.

(d) Subject to the provisions of 15 U.S.C. § 77r(c)(2) and any rules adopted thereunder, with respect to any security that is a federal covered security under 15 U.S.C. § 77r(b)(3) or ~~(4)(A)-(C)~~ (4)(A)-(E) and (G) and that is not otherwise exempt under sections 5201 through 5203 of this title, a rule adopted or order issued under this chapter may require any or all of the following with respect to such federal covered securities, at such time as the Commissioner may deem appropriate:

* * *

* * * Philanthropy Protection Act; Exemption Repeal * * *

Sec. 7. REPEAL

9 V.S.A. § 5615 (exempting Vermont from the Philanthropy Protection Act of 1995) is repealed.

* * * Cooperative Insurance; Bylaws * * *

Sec. 8. 8 V.S.A. § 3925 is amended to read:

§ 3925. BYLAWS; COMPULSORY PROVISIONS

The bylaws of a cooperative insurance corporation to which a certificate of authority is issued shall include substantially the following provisions:

(1) The corporate powers of such corporation shall be exercised by a board of directors, who shall be not less than five in number. Such directors shall be divided into classes and a portion only elected each year. They shall be elected for a term of not more than four years each and shall choose ~~from their number~~ a president, a secretary, and such other officers as may be deemed necessary. After the first year, the directors shall be chosen at an annual meeting to be held on the second Tuesday of January, unless some other day is designated in such bylaws, at which meeting each person insured shall have one vote and may be entitled to vote by proxy under such rules and regulations as may be prescribed by the bylaws.

(2) Such corporation shall keep proper books, including a policy register, in which the secretary shall enter the complete record of all its transactions and those of the board of directors and executive committee. Such books shall at all times show fully and truly the condition, affairs, and business of such corporation and shall be open for inspection by every person insured, each day from nine o'clock in the forenoon to four o'clock in the afternoon, Saturdays, Sundays, and legal holidays excepted.

(3) If authorized as an assessment cooperative insurance corporation as outlined in subsection 3920(a) of this title, such corporation may assess for the purposes specified in section 3927 of this title, and the bylaws shall specify the manner of giving notice of such assessments, which may be either personal or by mail, and, if by mail, shall be deemed complete if such notice is deposited, postage prepaid, in the post office at the place where the principal office of the corporation is located, directed to the person insured at his or her last known place of residence or business. A person insured who neglects or refuses to pay his or her assessments, for that reason or for any other reason satisfactory to the board of directors or its executive committee, may be excluded from such corporation and, when thus excluded, the secretary shall cancel or withdraw his or her policy or policies, subject to the cancellation provisions in sections 3879 through 3882 and chapter 113, subchapter 2 of this title, provided that such person shall remain liable for his or her pro rata share of losses and expenses incurred on or before the date of his or her exclusion and for the penalty herein provided, in case an action is brought against him or her. If a member of such corporation is so excluded and his or her policy so canceled, the secretary shall forthwith enter such cancellation and the date thereof on the records kept in the office of the corporation and serve notice of such cancellation on the person so excluded, as provided herein for the service of notice of assessment. However, in such event, the person so excluded or whose policy is so canceled shall be entitled to the repayment of an equitable portion of the unearned paid premium on such policy. The officers of such corporation shall proceed to collect all assessments within 30 days after the expiration of the notice to pay the same. Neglect or refusal on their part so to proceed or to perform any of the duties imposed on them by law shall render them individually liable for the amount lost to any person, due to such neglect or refusal, and an action may be maintained by such person against such officers to collect such amount. An action may be brought by the corporation against a person insured therein to recover all assessments which he or she may neglect or refuse to pay, and there may be recovered from him or her in such action both the amount so assessed, with lawful interest thereon, and, as a penalty for such neglect or refusal, 50 percent of such assessment in addition thereto.

(4) Any person insured by an assessment cooperative insurance corporation may withdraw therefrom at any time by giving written notice to the corporation, stating the date of withdrawal, paying his or her share of all claims then existing against such corporation, and surrendering his or her policy or policies.

(5) Any person insured by a nonassessment cooperative insurance corporation may withdraw from it at any time by giving written notice to the corporation stating the date of withdrawal and surrendering his or her policy or policies.

(6) Persons residing or owning property within ~~the state of Vermont~~ any state where the corporation is authorized to do business may be insured upon the same terms and conditions as original members and such other terms as may be prescribed in the bylaws of the corporation.

(7) ~~Nonresidents owning property within the state of Vermont may be insured therein and shall have all the rights and privileges of the corporation and be accountable as are other persons insured therein, but shall not be eligible to hold office in the corporation;~~

(8) The bylaws of such corporation may be amended at any time.

* * * Group Life Insurance; Employee Pay All * * *

Sec. 9. [DELETED.]

Sec. 10. [DELETED.]

Sec. 11. [DELETED.]

Sec. 12. [DELETED.]

Sec. 13. [DELETED.]

Sec. 14. [DELETED.]

Sec. 15. [DELETED.]

* * * Assistant Medical Examiners; Liability Protections * * *

Sec. 16. 18 V.S.A. § 511 is added to read:

§ 511. ACTIONS AGAINST MEDICAL EXAMINERS

Actions taken by any person given authority under this chapter, including an assistant medical examiner, shall be considered to be actions taken by a State employee for the purposes of 3 V.S.A. chapter 29 and 12 V.S.A. chapter 189 if such actions occurred within the scope of such person's duties.

* * * Portable Electronics Insurance; Notice Requirements * * *

Sec. 17. 8 V.S.A. § 4260 is amended to read:

§ 4260. NOTICE REQUIREMENTS

(a) Whenever notice or correspondence with respect to a policy of portable electronics insurance is required pursuant to the policy or is otherwise required by law, it shall be in writing. Notwithstanding any other provision of law,

notices and correspondence may be sent either by mail or by electronic means as set forth in this section. If the notice or correspondence is mailed, it shall be sent to the portable electronics vendor at the vendor's mailing address specified for such purpose and to its affected customers' last known mailing address on file with the insurer. The insurer or vendor of portable electronics shall maintain proof of mailing in a form authorized or accepted by the U.S. Postal Service or other commercial mail delivery service. If the notice or correspondence is sent by electronic means, it shall be sent to the portable electronics vendor at the vendor's electronic mail address specified for such purpose and to its affected customers' last known electronic mail address as provided by each customer to the insurer or vendor of portable electronics. ~~A customer is deemed to consent to receive notice and correspondence by electronic means if the insurer or vendor first discloses to the customer that by providing an electronic mail address the customer consents to receive electronic notice and correspondence at the address, and the customer provides an electronic mail address~~ customer's provision of an electronic mail address to the insurer or vendor of portable electronics is deemed consent to receive notices and correspondence by electronic means at such address if notice of that consent is provided to the customer within 30 calendar days. The insurer or vendor of portable electronics shall maintain proof that the notice or correspondence was sent.

* * *

* * * Workers' Compensation; High-Risk Occupations and Industries * * *

Sec. 18. WORKERS' COMPENSATION; INDUSTRIES AND
OCCUPATIONS WITH HIGH RISK, HIGH PREMIUMS, AND
FEW POLICY HOLDERS; STUDY; REPORT

(a) The Commissioner of Financial Regulation, in consultation with the Commissioner of Labor, the National Council on Compensation Insurance, and other interested stakeholders, shall identify and study industries and occupations in Vermont that experience a high risk of workplace and on-the-job injuries and whose workers' compensation insurance is characterized by high premiums and few policy holders in the insurance pool. The industries and occupations addressed in the study shall include, among others, logging and log hauling, as well as arborists, roofers, and occupations in saw mills and wood manufacturing operations. In particular, the Commissioner shall:

(1) examine difference in the potential for loss, premium rates, and experience and participation in the workers' compensation marketplace between the industries and occupations identified, and the average for all industries and occupations in Vermont;

(2) study potential methods for reducing workers' compensation premium rates and costs for high-risk industries and occupations, including risk pooling between multiple high-risk industries or occupations, creating self-insured trusts; creating voluntary safety certification programs, and programs or best practices employed by other states; and

(3) model the potential impact on workers' compensation premiums and costs from each of the methods identified pursuant to subdivision (2) of this subsection.

(b) On or before January 15, 2018, the Commissioner of Financial Regulation shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance regarding his or her findings and any recommendations for legislative action to reduce the workers' compensation premium rates and costs for the industries identified in the study.

* * * Workers' Compensation; Short-term and Seasonal Policies; Studies * * *

Sec. 19. [DELETED.]

Sec. 20. SHORT-TERM WORKERS' COMPENSATION POLICIES;
STUDY; REPORT

The Commissioner of Financial Regulation, in consultation with the Commissioner of Labor, shall examine potential measures to encourage the creation of affordable seasonal and short-term workers' compensation policies and measures to reduce the cost of workers' compensation insurance coverage for small employers in seasonal occupations. On or before January 15, 2018, the Commissioner shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance regarding his or her finding and any recommendations for legislative action.

Sec. 21. REGIONAL ASSIGNED RISK POOL; STUDY; REPORT

The Commissioner of Financial Regulation shall examine potential mechanisms for joining with neighboring states to create a regional assigned risk pool for workers' compensation insurance and whether the creation of a regional assigned risk pool could reduce the cost of administering Vermont's assigned risk pool. On or before January 15, 2018, the Commissioner shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance with his or her findings and any recommendations for legislative action related to the implementation of a regional assigned risk pool for workers' compensation insurance.

Sec. 22. ADMINISTRATION OF ASSIGNED RISK POOL; STUDY;
REPORT

The Commissioner of Financial Regulation shall examine whether any premium savings or reductions in costs could be realized if the assigned risk pool for workers' compensation was administered directly by the Department of Financial Regulation rather than through a third-party. On or before January 15, 2018, the Commissioner shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance with his or her findings and any recommendations for legislative action.

* * * Unemployment Compensation; Referee Final Decisions * * *

Sec. 23. [DELETED.]

Sec. 24. [DELETED.]

* * * Effective Date; Application * * *

Sec. 25. EFFECTIVE DATE; APPLICATION

(a) This act shall take effect on July 1, 2017.

(b) Sec. 17 shall apply to portable electronics insurance policies issued or renewed on or after July 1, 2017.

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

An act relating to insurance and securities.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sirotkin moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By striking out Sec. 23 and Sec. 24 and the accompanying reader assistance (unemployment compensation) in their entirety and inserting in lieu thereof a new Sec. 23 and a new Sec. 24 to read as follows:

Sec. 23. 21 V.S.A. § 601 is amended to read:

§ 601. DEFINITIONS

Unless the context otherwise requires, words and phrases used in this chapter shall be construed as follows:

* * *

(11) "Personal injury by accident arising out of and in the course of employment" includes an injury caused by the willful act of a third person directed against an employee because of that employment.

* * *

(I)(i) In the case of police officers, rescue or ambulance workers, or firefighters, post-traumatic stress disorder that is diagnosed by a mental health professional shall be presumed to have been incurred during service in the line of duty and shall be compensable, unless it is shown by a preponderance of the evidence that the post-traumatic stress disorder was caused by nonservice-connected risk factors or nonservice-connected exposure.

(ii) A police officer, rescue or ambulance worker, or firefighter who is diagnosed with post-traumatic stress disorder within three years of the last active date of employment as a police officer, rescue or ambulance worker, or firefighter shall be eligible for benefits under this subdivision (11).

(iii) As used in this subdivision (11)(I):

(I) "Firefighter" means a firefighter as defined in 20 V.S.A. § 3151(3) and (4).

(II) "Mental health professional" means a person with professional training, experience, and demonstrated competence in the treatment and diagnosis of mental conditions, who is certified or licensed to provide mental health care services and for whom diagnoses of mental conditions are within his or her scope of practice, including a physician, nurse with recognized psychiatric specialties, psychologist, clinical social worker, mental health counselor, or alcohol or drug abuse counselor.

(III) "Police officer" means a law enforcement officer who has been certified by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. chapter 151.

(IV) "Rescue or ambulance worker" means ambulance service, emergency medical personnel, first responder service, and volunteer personnel as defined in 24 V.S.A. § 2651.

(J)(i) A mental condition resulting from a work-related event or work-related stress shall be considered a personal injury by accident arising out of and in the course of employment and be compensable if it is demonstrated by the preponderance of the evidence that:

(I) the work-related event or work-related stress was extraordinary and unusual in comparison to pressures and tensions experienced by the average employee across all occupations; and

(II) the work-related event or work-related stress, and not some other event or source of stress, was the predominant cause of the mental condition.

(ii) A mental condition shall not be considered a personal injury by accident arising out of and in the course of employment if it results from

any disciplinary action, work evaluation, job transfer, layoff, demotion, termination, or similar action taken in good faith by the employer.

* * *

Sec. 24. EMERGENCY PERSONNEL POST-TRAUMATIC STRESS
DISORDER; STUDY OF EXPERIENCE AND COSTS; REPORT

(a) The Commissioner of Labor, in consultation with the Secretary of Administration, the Commissioner of Financial Regulation, the Vermont League of Cities and Towns, and the National Council on Compensation Insurance, shall examine claims for workers' compensation made pursuant to 21 V.S.A. § 601(11)(I) and (J) between July 1, 2017 and January 1, 2020, including:

(1) the number of claims made;

(2) the cost of the workers compensation benefits provided for those claims; and

(3) any changes in administrative and premium costs associated with those claims.

(b) On or before January 15 of each year from 2018 through 2020, the Commissioner shall report to the House Committees on Appropriations, on Commerce and Economic Development, and on Health Care, and the Senate Committees on Appropriations, on Finance, and on Health and Welfare regarding its findings and any recommendations for legislative changes.

Which was agreed to.

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

H. 503.

House bill entitled:

An act relating to bail.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment as follows:

After Sec. 10 by inserting a reader assistance to read

* * * Humane and Proper Treatment of Animals * * *

And by adding a Sec. 10a as follows:

Sec. 10a. 13 V.S.A. chapter 8 is amended to read:

CHAPTER 8. HUMANE AND PROPER TREATMENT OF ANIMALS

Subchapter 1. Cruelty to Animals

* * *

§ 352a. AGGRAVATED CRUELTY TO ANIMALS

A person commits the crime of aggravated cruelty to animals if the person:

(1) kills an animal by intentionally causing the animal undue pain or suffering;

(2) intentionally, maliciously, and without just cause tortures, mutilates, or cruelly beats an animal; or

(3) intentionally injures or kills an animal that is in the performance of official duties while under the supervision of a law enforcement officer.

§ 353. DEGREE OF OFFENSE; SENTENCING UPON CONVICTION

(a) Penalties.

(1) Except as provided in subdivision (3) or (4) of this subsection, cruelty to animals under section 352 of this title shall be punishable by a sentence of imprisonment of not more than one year, or a fine of not more than \$2,000.00, or both. Second and subsequent convictions shall be punishable by a sentence of imprisonment of not more than two years or a fine of not more than \$5,000.00, or both.

(2) Aggravated cruelty under section 352a of this title shall be punishable by a sentence of imprisonment of not more than ~~three~~ five years or a fine of not more than \$5,000.00, or both. Second and subsequent offenses shall be punishable by a sentence of imprisonment of not more than ~~five~~ ten years or a fine of not more than \$7,500.00, or both.

* * *

Which was agreed to.

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

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

H. 518.

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 as follows:

First: By striking Secs. B.224 and B.501 in their entirety and inserting in lieu thereof new Secs. B.224 and B.501 to read as follows:

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	1,665,008
Operating expenses	1,016,357
Grants	<u>1,170,875</u>
Total	3,852,240
Source of funds	
General fund	1,953,127
Special funds	625,830
Federal funds	1,233,783
Interdepartmental transfers	<u>39,500</u>
Total	3,852,240

Sec. B.501 Education - education services

Personal services	18,581,101
Operating expenses	1,604,659
Grants	<u>125,444,492</u>
Total	145,635,252
Source of funds	
General fund	5,530,968
Special funds	3,808,374
Tobacco fund	750,388
Federal funds	133,477,859
Interdepartmental transfers	<u>2,062,663</u>
Total	145,635,252

Second: By striking out Sec. B.801 in its entirety and inserting in lieu thereof a new Sec. B.801 to read as follows:

Sec. B.801 Economic development

Personal services	2,104,952
Operating expenses	930,788
Grants	<u>3,679,403</u>
Total	6,715,143
Source of funds	
General fund	4,602,224
Special funds	555,350
Federal funds	<u>1,557,569</u>
Total	6,715,143

Third: By striking out Sec. B.806 in its entirety and inserting in lieu thereof a new Sec. B.806 to read as follows:

Sec. B.806 Tourism and marketing

Personal services	1,191,303
Operating expenses	1,792,070
Grants	<u>121,880</u>
Total	3,105,253
Source of funds	
General fund	3,075,253
Interdepartmental transfers	<u>30,000</u>
Total	3,105,253

Fourth: By striking out Sec. B.1101(e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) Agency of Agriculture, Food and Markets: The sum of \$75,000 is appropriated to the Agency of Agriculture, Food and Markets for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance.

Fifth: By striking Sec. C.103.1 in its entirety and inserting in lieu thereof a new Sec. C.103.1 to read as follows:

Sec. C.103.1 2016 Acts and Resolves No. 172, Sec. B.301 as amended by 2017 Acts and Resolves No. 3, Sec. 18 is further amended to read:

Sec. B.301 Secretary's office - global commitment

Operating expenses	5,529,495	5,529,495
Grants	<u>1,596,194,550</u>	<u>1,605,462,162</u>
Total	<u>1,601,724,045</u>	1,605,462,162
Source of funds		
General fund	<u>284,257,664</u>	287,995,781
Special funds	28,263,866	28,263,866
Tobacco fund	29,716,875	29,716,875
State health care resources fund	297,599,293	297,599,293
Federal funds	961,846,347	961,846,347
Interdepartmental transfers	<u>40,000</u>	40,000
Total		<u>1,601,724,045</u>
1,605,462,162		

Sixth: By inserting a new section to be numbered Sec. D.100.2 to read as follows:

Sec. D.100.2 CONTINGENT BOND AUTHORITY

(a) If a housing bond is authorized based on appropriate revenue, then specific language may be presented to the Joint Fiscal Committee for review prior to budget adjustment.

Seventh: In Sec. E.314.1(a) by striking out the first sentence in its entirety and inserting in lieu thereof a new first sentence to read as follows:

The addition of \$9,800,000 is made consistent with S.133 of 2017 and shall be allocated to the Designated and Specialized Service Agencies (DA/SSA) to help stabilize the care delivery system and workforce employed by the DA/SSA, with \$2,784,000 allocated for crisis response.

Eighth: By striking out Sec. E.314.3 in its entirety and inserting in lieu thereof a new Sec. E.314.3 to read as follows:

Sec. E.314.3 FUNDING OF DESIGNATED AGENCIES' EMERGENCY SERVICES

(a) On or before January 15, 2018, the Commissioners of Mental Health, Vermont Health Access, and Disabilities, Aging, and Independent Living shall submit a report to the House Committees on Appropriations and on Health Care and to the Senate Committees on Appropriations and on Health and Welfare addressing how designated agencies fund emergency services for the purpose of ensuring that designated agencies' emergency services achieve maximum efficiency and are available to all individuals within a specific designated agency's catchment area. The report shall identify:

- (1) any funding gaps, including methodologies of payment;
- (2) capacity of payment;
- (3) third party payers; and
- (4) unfunded services.

Ninth: In Sec. E.318.1(a) after the following: "In fiscal year 2018," by inserting the following: and thereafter,

Which was agreed to.

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

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

H. 519.

House bill entitled:

An act relating to capital construction and State bonding.

Was taken up.

Thereupon, pending third reading of the bill, Senator Ashe moved to amend the Senate proposal of amendment by adding a new section to be numbered Sec. 35a to read as follows:

Sec. 35a. CLEAN WATER PROJECTS; SIGNS

The Commissioner of Buildings and General Services, in collaboration with the Secretaries of Natural Resources and of Transportation, shall develop a plan for signage to identify any clean water projects funded by the State. The signage shall include uniform language and a logo to identify the projects. The signage shall be displayed in a location as visible to the public as possible for the duration of the construction phase of the project. Funds appropriated for water quality projects shall be used to pay the costs associated with the signage in accordance with the plan.

Which was agreed to.

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

Proposals of Amendment; Third Reading Ordered

H. 509.

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

An act relating to calculating statewide education tax rates.

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

First: In Sec. 1, subdivision (1), by striking out “\$10,077.00” and inserting in lieu thereof \$10,015.00, and in subdivision (2), by striking out “\$11,851.00” and inserting in lieu thereof \$11,820.00

Second: In Sec. 2, by striking out “\$1.555” and inserting in lieu thereof \$1.563

Third: By striking out the reader assistance and Secs. 3 through 5 (unfunded mandates) in their entirety and inserting in lieu thereof new Secs. 3 through 5 to read:

Sec. 3. [Deleted.]

Sec. 4. [Deleted.]

Sec. 5. [Deleted.]

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

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

House Proposal of Amendment; Bill Committed

S. 20.

Senate bill entitled:

An act relating to permanent licenses for persons 66 years of age or older.

Was taken up.

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

By striking out Sec. 2 (effective date) in its entirety and inserting in lieu thereof two new sections to be Secs. 2 and 3 to read:

Sec. 2. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER FUND BOARD

(a) Creation. There is created ~~a~~ the 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) Four members of the public to be appointed as follows:

(A) The Speaker of the House of Representatives shall appoint two members of the public, one of whom shall be a municipal official.

(B) The Committee on Committees shall appoint two members of the public, one of whom shall be a municipal official.

(C) Of the members appointed under this subdivision (6), it is the intent of the General Assembly that at any one time a member representing each of the following major watersheds shall be serving on the Board:

- (i) the Connecticut River watershed;
- (ii) the Hudson River watershed;
- (iii) the Lake Champlain watershed; and
- (iv) the Lake Memphremagog watershed.

(c) 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 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.

* * *

(g) Terms; appointed members. Members who are appointed to 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.

Sec. 3. EFFECTIVE DATES

(a) This section and Sec. 2 (Clean Water Fund Board) shall take effect on passage.

(b) Sec. 1 (permanent fishing and hunting licenses) shall take effect on January 1, 2018.

Thereupon, pending the question Shall the Senate concur in the House proposal of amendment, on motion of Senator Bray, the bill was committed to the Committee on Natural Resources and Energy on a division of the Senate Yeas 19, Nays 9.

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

S. 127.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous changes to laws related to vehicles and vessels.

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:

* * * Special Plates and Placards for Persons With Disabilities * * *

Sec. 1. 23 V.S.A. § 304a is amended to read:

§ 304a. SPECIAL REGISTRATION PLATES AND PLACARDS FOR
PEOPLE WITH DISABILITIES

(a) The following definitions shall apply to this section:

* * *

(6) "Eligible person" means:

(A) a person who is blind or has an ambulatory disability and has been issued a special registration plate or a windshield placard by this State or another state;

(B) a person who is transporting a person described in subdivision (A) of this subdivision (6); or

(C) a person transporting a person who is blind or has an ambulatory disability on behalf of an organization that has been issued a special registration plate or a windshield placard by this State or another state for the purpose of transporting a person who is blind or has an ambulatory disability.

* * *

(e)(1) A person, other than an eligible person, who for his or her own purposes parks a vehicle in a space for persons with disabilities shall be ~~fin~~subject to a civil penalty of not less than \$200.00 for each violation and shall be liable for towing charges.

(2) A person, other than an eligible person, who displays a special registration plate or removable windshield placard not issued to him or her under this section and parks a vehicle in a space for persons with disabilities, shall be subject to a civil penalty of not less than \$400.00 for each violation and shall be liable for towing charges.

(3) ~~He or she shall~~ A person who violates this section also shall be liable for storage charges not to exceed \$12.00 per day, and an artisan's lien may be imposed against the vehicle for payment of the charges assessed.

(4) The person in charge of the parking space or spaces for persons with a disability or any duly authorized law enforcement officer shall cause the removal of a vehicle parked in violation of this section.

(5) A violation of this section shall be considered a traffic violation within the meaning of 4 V.S.A. chapter 29.

* * *

* * * Special License Plates * * *

Sec. 2. 23 V.S.A. § 304b is amended to read:

§ 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

* * *

(b) Initial fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$12.00~~ 46 percent to the Transportation Fund.

(2) ~~\$7.00~~ 27 percent to the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account created in 10 V.S.A. § 4048.

(3) ~~\$7.00~~ 27 percent to the Department of Fish and Wildlife for deposit into the Watershed Management Account created in 10 V.S.A. § 4050.

(c) Renewal fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$11.00~~ 42 percent to the Department of Fish and Wildlife for deposit into the Nongame Wildlife Account created in 10 V.S.A. § 4048.

(2) ~~\$11.00~~ 42 percent to the Department of Fish and Wildlife for deposit into the Watershed Management Account created in 10 V.S.A. § 4050.

(3) ~~\$4.00~~ 16 percent to the Transportation Fund.

(d) The Commissioner of Fish and Wildlife is authorized to deposit fees collected by the Department of Fish and Wildlife under subsections (b) and (c) of this section into the Conservation Camp Fund when the fees collected exceed the annual funding needs of the Nongame Wildlife Account and the Watershed Management Account.

Sec. 3. 23 V.S.A. § 304c is amended to read:

§ 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING
BRIGHT SPACES FOR BRIGHT FUTURES FUND

* * *

(b) Fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$7.00~~ 29 percent to the Transportation Fund.

(2) ~~\$17.00~~ 71 percent to the Department for Children and Families for deposit in the Bright Futures Fund created in 33 V.S.A. § 3531.

(c) Renewal fees collected under subsection (a) of this section shall be allocated as follows:

(1) ~~\$19.00~~ 79 percent to the Department for Children and Families for deposit in the Bright Futures Fund in 33 V.S.A. § 3531.

(2) ~~\$5.00~~ 21 percent to the Transportation Fund.

(d) The Department of Motor Vehicles shall be charged by the Department of Corrections for the production of the Bright Futures Fund license plates.

* * * Annual Special Excess Weight Permits * * *

Sec. 4. 23 V.S.A. § 305 is amended to read:

§ 305. REGISTRATION PERIODS

(a) The Commissioner of Motor Vehicles shall issue registration certificates, validation stickers, and number plates upon initial registration, and registration certificates and validation stickers for each succeeding renewal period of registration, upon payment of the registration fee. Number plates so issued will become void one year from the first day of the month following the month of issue unless a longer initial registration period is authorized by law, or unless this period is extended through renewal. Registrations issued for motor trucks shall become void one year from the first day of the month following the month of issue. ~~The fees for annual special excess weight permits issued to these vehicles pursuant to section 1392 of this title shall be prorated so as to coincide with registration expiration dates.~~

* * *

* * * Temporary Registration * * *

Sec. 5. 23 V.S.A. § 312 is amended to read:

§ 312. TEMPORARY REGISTRATION PENDING ISSUANCE OF
CERTIFICATE OF TITLE

(a) In his or her discretion, the Commissioner may issue a temporary registration certificate to a person required to obtain a certificate of title in accordance with chapter 21 of this title upon payment of the registration fee provided in subchapter 2 of this chapter and of the title fee. The temporary registration certificate and the number plate shall be valid for 60 days and shall not be renewed. At the expiration of the temporary registration, a permanent registration certificate and a set of number plates shall be issued provided that all documents and information required by law are filed with the Commissioner.

(b) The registration fee paid in accordance with subsection (a) of this section shall not be refunded, except that the fee shall be deemed the fee for the permanent registration, if one is issued, or shall be deemed the fee for another an application for registration to register another vehicle, if the title requirements are met during that registration period. Likewise, the title fee shall be deemed the fee for the title, if one is issued, or shall be deemed the fee for an application to title another vehicle.

* * * Registration Transfers * * *

Sec. 6. 23 V.S.A. § 321 is amended to read:

§ 321. PROCEDURE UPON TRANSFER

Upon the transfer of ownership of any registered motor vehicle its registration shall expire. The person in whose name the transferred vehicle was registered shall immediately return direct to the Commissioner the registration certificate assigned to the transferred vehicle, with the date of sale and the name and residence of the new owner endorsed on the back. However, the Commissioner may accept any other satisfactory evidence of the above required information. The transferor shall forthwith remove the registration number plates from the transferred vehicle and may attach the same to another unregistered motor vehicle owned by him or her. Upon the transfer of registration plates from a motor vehicle, the registration of which has expired as above provided, to another motor vehicle, owned by the ~~transferor~~ transferor, the owner or operator shall not, for a period of ~~30~~ 60 days, be subject to a fine for the operation of the latter motor vehicle without the proper registration certificate, provided he or she has, within 24 hours of the transfer, made application, as provided in section 323 of this title, for transfer of the registration number plates. If such application for transfer is not so received

by the Commissioner, the number plates shall be returned to the Commissioner at the end of five days after the transfer of ownership.

* * * Registration Fees; Local Transit Buses * * *

Sec. 7. 23 V.S.A. § 372a is amended to read:

§ 372a. LOCAL TRANSIT PUBLIC TRANSPORTATION SERVICE

(a) The annual registration fee for any motor bus used in local transit or public transportation service shall be \$62.00, except for those vehicles owned by a municipality for such service that are subject to the provisions of section 376 of this title. In the event a bus registered for local transit or public transportation service is thereafter registered for general use during the same registration year, such fee shall be applied towards the fee for general registration.

(b) As used in this section, a motor bus used in public transportation service ~~bus~~ is a bus used by a nonprofit public transit system as defined in 24 V.S.A. § 5088(3), and a motor bus used in local transit ~~bus~~ is a motor bus used entirely within or not more than ~~40~~ 100 miles beyond the boundaries of a city or town.

* * * Exhibition Vehicles * * *

Sec. 8. 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 general daily~~ transportation of passengers or property on any highway, ~~except to attend such functions~~, shall be \$21.00, in lieu of fees otherwise provided by law. Permitted use shall include:

(1) use in exhibitions, club activities, parades, and other functions of public interest; and

(2) occasional transportation of passengers or property not more than one day per week.

* * *

* * * Licenses and Permits to Operate; Refusals to Issue * * *

Sec. 9. 23 V.S.A. § 603(c) is amended to read:

(c) An ~~operator~~ operator's license, junior ~~operator~~ operator's license, or ~~learner~~ learner's permit shall not be issued to an applicant whose license ~~or learner~~ learner's permit, or privilege to operate is suspended, revoked, or canceled in any jurisdiction.

Sec. 10. CONFORMING CHANGES

(a) In 23 V.S.A. § 601(b), the phrase “operator licenses” shall be replaced with “operator’s licenses” wherever it appears.

(b) In 23 V.S.A. § 603(b) and (d), wherever they appear:

(1) The phrase “operator license” shall be replaced with “operator’s license.”

(2) The phrase “junior operator license” shall be replaced with “junior operator’s license.”

(3) The phrase “learner permit” shall be replaced with “learner’s permit.”

* * * Learner’s Permits; Operation Under * * *

Sec. 11. 23 V.S.A. § 615 is amended to read:

§ 615. UNLICENSED OPERATORS

(a)(1)(A) An unlicensed person 15 years of age or older may operate a motor vehicle if he or she possesses a valid learner’s permit issued to him or her by the Commissioner, or by another jurisdiction in accordance with section 208 of this title, and if one of the following persons who is not under the influence of alcohol or drugs rides beside him or her:

(i) his or her licensed parent or guardian;

(ii) a licensed or certified driver education instructor;

(iii) a licensed examiner of the Department; or

(iv) a licensed person at least 25 years of age ~~rides beside him or her.~~

(B) A person described under subdivisions (A)(i)–(iv) of this subdivision (1) who, while under the influence of alcohol or drugs, rides beside an individual whom the person knows to be unlicensed shall be subject to the same penalties as for a violation of subsection 1130(b) of this title. A holder of a learner’s permit shall not be deemed to have violated this section if a person described under subdivisions (A)(i)–(iv) of this subdivision (1) rides beside him or her while the person is under the influence of alcohol or drugs.

(C) Nothing in this section shall be construed to permit a person against whom a revocation or suspension of license is in force, or a person younger than 15 years of age, or a person who has been refused a license by the Commissioner to operate a motor vehicle.

* * *

* * * Distracted Driving * * *

Sec. 12. 23 V.S.A. § 1095b is amended to read:

§ 1095b. HANDHELD USE OF PORTABLE ELECTRONIC DEVICE
PROHIBITED

* * *

(c) Penalties.

(1) A person who violates this section commits a traffic violation and shall be subject to a fine of not less than \$100.00 and not more than \$200.00 for a first violation, and of not less than \$250.00 and not more than \$500.00 for a second or subsequent violation within any two-year period.

(2) A person convicted of violating this section while operating within a ~~properly designated work zone in which construction, maintenance, or utility personnel are present~~ the following areas shall have ~~two~~ four points assessed against his or her driving record for a first conviction and five points assessed for a second or subsequent conviction:

(A) a properly designated work zone in which construction, maintenance, or utility personnel are present; or

(B) a school zone marked with warning signs conforming to the Manual on Uniform Traffic Control Devices.

(3) A person convicted of violating this section outside ~~a work zone in which personnel are present~~ the areas designated in subdivision (2) of this subsection shall ~~not~~ have two points assessed against his or her driving record for a first conviction and four points assessed for a second or subsequent conviction.

* * *

Sec. 13. 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:

* * *

-
- | | | |
|---------|------------------|--|
| (LL)(i) | § 1095. | Entertainment picture visible to operator; |
| (ii) | § 1095b(c)(2)(3) | Use of portable electronic device in <u>outside</u> work <u>or school</u> zone - first offense; |

* * *

(3) Four points assessed for:

- | | | |
|------------|----------------------|--|
| (A) | § 1012. | Failure to obey enforcement officer; |
| (B) | § 1013. | Authority of enforcement officers; |
| (C) | § 1051. | Failure to yield to pedestrian; |
| (D) | § 1057. | Failure to yield to persons who are blind; |
| <u>(E)</u> | <u>§ 1095b(c)(2)</u> | <u>Use of portable electronic device in work or school zone—first offense;</u> |
| <u>(F)</u> | <u>§ 1095b(c)(3)</u> | <u>Use of portable electronic device outside work or school zone—second and subsequent offenses;</u> |

(4) Five points assessed for:

- | | | |
|-----|---------------|---|
| (A) | § 1050. | Failure to yield to emergency vehicles; |
| (B) | § 1075. | Illegal passing of school bus; |
| (C) | § 1099. | Texting prohibited; |
| (D) | § 1095b(c)(2) | Use of portable electronic device in work <u>or school</u> zone—second and subsequent offenses; |

* * *

* * * DUI-Related Provisions * * *

Sec. 14. 23 V.S.A. chapter 13, subchapter 13 is amended to read:

Subchapter 13. Drunken Driving

§ 1200. DEFINITIONS

As used in this subchapter:

* * *

(10) "Random retest" means a test of a vehicle operator's blood alcohol concentration, other than a test required to start the vehicle, that is required at random intervals during operation of a vehicle equipped with an ignition interlock device.

* * *

§ 1209a. CONDITIONS OF REINSTATEMENT; ALCOHOL AND
DRIVING EDUCATION; SCREENING; THERAPY PROGRAMS

* * *

(b) Abstinence.

(1)(A) 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 nonprescription regulated drugs, or both. The use of a regulated drug in accordance with a valid prescription shall not disqualify an applicant for reinstatement of his or her driving privileges unless the applicant used the regulated drug in a manner inconsistent with the prescription label.

(B) 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.

* * *

§ 1213. IGNITION INTERLOCK RESTRICTED DRIVER'S LICENSE OR
CERTIFICATE; PENALTIES

* * *

(e) ~~Except as provided in subsection (m) of this section, the~~ 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.

* * *

(1)(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. After an initial random retest to occur within 15 minutes of the vehicle starting, subsequent random retests shall occur on average not more often than once every 30 minutes. 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.

* * *

* * * Length of Vehicles * * *

Sec. 15. 23 V.S.A. § 1402(b)(2) is amended to read:

(2) ~~Notwithstanding the provisions of this section, the Agency of Transportation may erect signs at those locations where it would be unsafe to operate vehicles in excess of 68 feet in length. [Repealed.]~~

Sec. 16. 23 V.S.A. § 1432 is amended to read:

§ 1432. LENGTH OF VEHICLES; ~~AUTHORIZED HIGHWAYS~~

* * *

(f) ~~List of approved highways. The Commissioner shall prepare a list of each highway that has been approved for travel by vehicles referred to in subsection (a) of this section. The list shall be furnished, without charge, to~~

~~each permitting service, electronic dispatching service, or other similar service authorized to do business in this State and, upon request, to any interested person.~~ [Repealed.]

* * * Transfer of Title, Registration; Vessels, Snowmobiles, and ATVs * * *

Sec. 17. 23 V.S.A. § 3816 is amended to read:

§ 3816. TRANSFER OF INTEREST IN VESSEL, SNOWMOBILE, OR ALL-TERRAIN VEHICLE

(a) If an owner transfers his or her interest in a vessel, snowmobile, or all-terrain vehicle, other than by the creation of a security interest, he or she shall, at the time of delivery of the vessel, snowmobile, or all-terrain vehicle, execute an assignment and warranty of title to the transferee in the space provided on the certificate or as the Commissioner prescribes, and cause the certificate and assignment to be mailed or delivered to the transferee or to the Commissioner. Where title to a vessel, snowmobile, or all-terrain vehicle is in the name of more than one person, the nature of the ownership must be indicated by one of the following on the certificate of title:

* * *

(e)(1) Pursuant to the provisions of 14 V.S.A. § 313, whenever the estate of an individual who dies intestate consists principally of a vessel, snowmobile, or all-terrain vehicle, the surviving spouse shall be deemed to be the owner of the vessel, snowmobile, or all-terrain vehicle and title to the vessel, snowmobile, or all-terrain vehicle shall automatically pass to the surviving spouse. The surviving spouse may register. Upon request, the Department shall register and title the vessel, snowmobile, or all-terrain vehicle by paying a transfer fee not to exceed \$2.00 in the name of the surviving spouse, and no fee shall be assessed.

(2) Notwithstanding any contrary provision of law, and except as provided in subdivision (3) of this subsection, whenever the estate of an individual consists in whole or in part of a vessel, snowmobile, or all-terrain vehicle, and the person's will or other testamentary document does not specifically address disposition of the same, the surviving spouse shall be deemed to be the owner and title to the vessel, snowmobile, or all-terrain vehicle shall automatically pass to the surviving spouse. Upon request, the Department shall register and title the vessel, snowmobile, or all-terrain vehicle in the name of the surviving spouse, and no fee shall be assessed.

(3) This subsection shall not apply if the vessel, snowmobile, or all-terrain vehicle is titled in the name of one or more persons other than the decedent and the surviving spouse.

* * * Enforcement of Snowmobile and Boating Violations * * *

Sec. 18. REPEAL

12 V.S.A. chapter 193 (snowmobile and boating violations) is repealed.

Sec. 19. 23 V.S.A. § 3208 is amended to read:

§ 3208. ADMINISTRATION AND ENFORCEMENT

* * *

(d) The provisions of this subchapter and the rules adopted pursuant thereto shall be enforced by law enforcement officers as defined in section 3302 of this title in accordance with the provisions of ~~12 V.S.A. chapter 193~~ 4 V.S.A. chapter 29. Testimony of a witness as to the existence of navigation or snowmobile control signs, signals, or markings, shall be prima facie evidence that such control, sign, signal, or marking existed pursuant to a lawful statute, regulation, or ordinance and that the defendant was lawfully required to obey a direction of such device.

(e) Law enforcement officers as defined in section 3302 of this title, ~~in accordance with the provisions of 12 V.S.A. chapter 193~~, may conduct safety inspections on snowmobiles stopped for other snowmobile law violations on the Statewide Snowmobile Trail System. Safety inspections may also be conducted in a designated area by law enforcement officials. A designated area shall be warned solely by blue lights either on a stationary snowmobile parked on a trail or on a cruiser parked at a roadside trail crossing.

Sec. 20. 23 V.S.A. § 3318 is amended to read:

§ 3318. ADMINISTRATION AND ENFORCEMENT

(a) The administration of the provisions of this chapter, as they pertain to the registration and numbering of vessels and the suspension of the privilege to operate vessels, shall be the responsibility of the Department of Motor Vehicles.

* * *

(c) The provisions of this subchapter and the rules adopted pursuant to this subchapter shall be enforced by law enforcement officers as defined in section 3302 of this title in accordance with the provisions of ~~12 V.S.A. chapter 193~~ 4 V.S.A. chapter 29. Law enforcement officers as defined in section 3302 of this title may also enforce the provisions of 10 V.S.A. § 1454 and the rules adopted pursuant to 10 V.S.A. § 1424 in accordance with the requirements of 10 V.S.A. chapter 50.

* * * Motor Vehicle Purchase and Use Tax * * *

Sec. 21. 32 V.S.A. § 8902(5) is amended to read:

(5) “Taxable cost” means the purchase price as defined in subdivision (4) of this section or the taxable cost as determined under section 8907 of this title. For any purchaser who has paid tax on the purchase or use of a motor vehicle that was sold or traded by the purchaser or for which the purchaser received payment under a contract of insurance, the taxable cost of the replacement motor vehicle other than a leased vehicle shall exclude:

* * *

(B) the amount received from the sale of a motor vehicle last registered in his or her name, the amount not to exceed the ~~average book~~ clean trade-in value of the same make, type, model, and year of manufacture as designated by the manufacturer and as shown in the NADA Official Used Car Guide, ~~National Automobile Dealers Association~~ (New England edition), or any comparable publication, provided such sale occurs within three months of the taxable purchase. However, this three-month period shall be extended day-for-day for any time that a member of a guard unit or of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), spends outside Vermont due to activation or deployment, and an additional 60 days following the person’s return from activation or deployment. Such amount shall be reported on forms supplied by the Commissioner of Motor Vehicles;

* * *

Sec. 22. 32 V.S.A. § 8907 is amended to read:

§ 8907. COMMISSIONER, COMPUTATION OF TAXABLE COSTS

(a) The Commissioner may investigate the taxable cost of any motor vehicle transferred subject to the provisions of this chapter. If the motor vehicle is not acquired by purchase in Vermont or is received for an amount which does not represent actual value, or if no tax form is filed or it appears to the Commissioner that a tax form contains fraudulent or incorrect information, the Commissioner may, in his or her discretion, fix the taxable cost of the motor vehicle at the ~~average book~~ clean trade-in value of vehicles of the same make, type, model, and year of manufacture as designated by the manufacturer, as shown in the NADA Official Used Car Guide, ~~National Automobile Dealers Association~~ (New England Edition) or any comparable publication, less the lease end value of any leased vehicle. The Commissioner may compute and assess the tax due thereon, and notify the purchaser thereof forthwith by certified mail, and the purchaser shall remit the same within 15 days thereafter.

* * *

Sec. 23. MOTOR VEHICLE PURCHASE AND USE TAX; EXTENSION
OF THREE-MONTH PERIOD TO REDUCE TAXABLE COST

(a) Notwithstanding 32 V.S.A. § 8902(5)(B), the three-month limitation on the period in which to reduce the taxable cost of a motor vehicle by the sale of a previously owned vehicle shall not apply in the case of vehicles sold to the manufacturer pursuant to buyback agreement under a Volkswagen, Audi, or Porsche diesel engine defeat device settlement or judgment, if the vehicle is sold to the manufacturer:

(1) on or before November 10, 2017, in the case of 2.0 liter diesel engine Volkswagens and Audis; or

(2) on or before one year after buybacks commence under the 3.0 liter diesel engine class action settlement for Volkswagens, Audis, and Porsches.

(b) If a person paid a purchase and use tax in excess of the amount that would have been required if this section had been in effect at the time of the tax payment, the Commissioner of Motor Vehicles, upon application, shall issue the person a refund in accordance with this section.

* * * Vermont Strong License Plates * * *

Sec. 24. VERMONT STRONG MOTOR VEHICLE PLATES

(a) In 2012 Acts and Resolves No. 71, Sec. 1, as amended by 2012 Acts and Resolves No. 143, Sec. 13, the General Assembly authorized the Department of Motor Vehicles to distribute “Vermont Strong” commemorative plates and authorized operators of certain Vermont-registered vehicles to display the commemorative plates over the regular front registration plates of such vehicles until June 30, 2014. In 2014 Acts and Resolves No. 189, Sec. 26, the authorized display period was extended to June 30, 2016.

(b) Through an executive order issued on June 2, 2016, No. 3–74, the Governor ordered and directed that the Commissioner of Motor Vehicles continue to permit Vermonters to display Vermont Strong plates on the front of eligible vehicles and that Vermont law enforcement officers refrain from ticketing or otherwise penalizing any Vermonter for displaying a Vermont Strong plate on eligible vehicles “until the General Assembly next has the opportunity to consider and clarify the duration of Vermont Strong Commemorative License Plates.”

(c) Under 23 V.S.A. § 511(a), “A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require.” The Commissioner has implemented this authority through a regulation, CVR 14-050-025, which states, “Two registration plates are issued to and must be displayed by all registered vehicles” with the exception of certain listed vehicles. The listed exceptions

do not include pleasure cars or motor trucks, which therefore are required to display two registration plates unless otherwise provided by law.

(d) This subsection supersedes Executive Order 3-74. The display of Vermont Strong commemorative plates in place of front registration plates no longer is authorized. On and after September 1, 2017, the Commissioner of Motor Vehicles and law enforcement officers shall enforce the provisions of 23 V.S.A. § 511(a) and CVR 14-050-025 that require the display of two registration plates on pleasure cars and on motor trucks. Prior to September 1, 2017, the Commissioner shall take measures to raise public awareness that the display of Vermont Strong commemorative plates in place of front registration plates no longer is authorized.

* * * Incident Clearance; Duties; Limitation on Liability * * *

Sec. 25. 23 V.S.A. § 1102 is amended to read:

§ 1102. REMOVAL OF STOPPED VEHICLES

(a) ~~Any~~ Subject to subsection (c) of this section, any enforcement officer is authorized to:

(1) ~~move~~ cause the removal of a vehicle stopped, parked, or standing contrary to section 1101 of this title, or ~~to~~ require the driver or other person in charge to move the vehicle to a safe position off the ~~paved or~~ main-traveled part of the highway;

(2) ~~remove~~ cause the removal of an unattended vehicle ~~which~~ or cargo that is an obstruction to traffic or to maintenance of the highway to a garage or other place of safety;

(3) ~~remove~~ cause the removal of any vehicle found upon a highway, as defined in 19 V.S.A. § 1, to a garage or other place of safety when:

(A) the officer is informed by a reliable source that the vehicle has been stolen or taken without the consent of its owner; or

(B) the person in charge of the vehicle is unable to provide for its removal; or

(C) the person in charge of the vehicle has been arrested under circumstances ~~which~~ that require his or her immediate removal from control of the vehicle.

(b) In the case of a crash involving a serious bodily injury or fatality, clearance of the crash scene may be delayed until the crash investigation is completed.

(c) A towing operator shall undertake removal of a vehicle or cargo under this section only if summoned to the scene by the vehicle owner or vehicle

operator, or an enforcement officer, and is authorized to perform the removal as follows:

(1) The owner or operator of the vehicle or cargo being removed shall summon to the scene the towing operator of the owner's or operator's choice in consultation with the enforcement officer and designate the location to where the vehicle or cargo is to be removed.

(2) The provisions of subdivision (1) of this subsection shall not apply when the owner or operator is incapacitated or otherwise unable to summon a towing operator, does not make a timely choice of a towing operator, or defers to the enforcement officer's selection of the towing operator.

(3) The authority provided to the owner or operator under subdivision (1) of this subsection may be superseded by the enforcement officer if the towing operator of choice cannot respond to the scene in a timely fashion and the vehicle or cargo is a hazard, impedes the flow of traffic, or may not legally remain in its location in the opinion of the enforcement officer.

(d)(1) Except as provided in subdivision (2) of this subsection, the vehicle owner and the motor carrier, if any, shall be responsible to the law enforcement agency or towing operator for reasonable costs incurred solely in the removal and subsequent disposition of the vehicle or cargo under this section.

(2) When applicable, the provisions of 10 V.S.A. § 6615 (liability for release of hazardous materials) shall apply in lieu of this subsection.

(e) Except for intentionally inflicted damage or gross negligence, an enforcement officer or a person acting at the direction of an enforcement officer who removes from a highway a motor vehicle or cargo that is obstructing traffic or maintenance activities or creating a hazard to traffic shall not be liable for damage to the vehicle or cargo incurred during the removal.

(f) Any enforcement officer causing the removal of a motor vehicle under this section shall notify the Department as to the location and date of discovery of the vehicle, date of removal of the vehicle, name of the towing service removing the vehicle, and place of storage. The officer shall record and remove from the vehicle, if possible, any information ~~which~~ that might aid the Department in ascertaining the ownership of the vehicle and forward ~~it~~ the information to the Department. A motor vehicle towed under authority of this section may qualify as an abandoned motor vehicle under subchapter 7 of chapter 21 of this title.

(g)(1) Except as otherwise provided in subdivision (2) of this subsection, the operator of a vehicle involved in a crash who is required by law to stop the vehicle, or who elects to stop the vehicle, at the crash scene shall move and stop the vehicle at the nearest location where the vehicle will not impede traffic or jeopardize the safety of a person.

(2) The duty to move a vehicle under subdivision (1) of this subsection shall not apply when:

(A) the crash involved the death of or apparent injury to any person;

(B) the vehicle to be moved was transporting hazardous material;

(C) the vehicle cannot be operated under its own power without further damage to the vehicle or the highway; or

(D) the movement cannot be made without endangering other highway users.

(3) An operator required to move a vehicle under this subsection who fails to do so shall not be ticketed, assessed a civil penalty, or have points assessed against his or her driving record.

Sec. 26. 23 V.S.A. § 1128 is amended to read:

§ 1128. ACCIDENTS—DUTY TO STOP

(a) The operator of a motor vehicle who has caused or is involved in ~~an accident~~ a crash resulting in injury to any person other than the operator, or in damage to any property other than the vehicle then under his or her control, shall immediately stop and render any assistance reasonably necessary. Subsection 1102(g) of this title (stopping not to impede traffic or jeopardize safety; exceptions) governs the location where a person shall stop. The operator shall give his or her name, residence, license number, and the name of the owner of the motor vehicle to any person who is injured or whose property is damaged and to any enforcement officer. A person who violates this section shall be fined not more than \$2,000.00 or imprisoned for not more than two years, or both.

* * *

* * * Inspections; Mail Carrier Vehicles * * *

Sec. 27. 23 V.S.A. § 1222(e) is added to read:

(e) A vehicle used as a mail carrier under a contract with the U.S. Postal Service shall not fail inspection solely because, in converting the vehicle to be a right-hand drive vehicle, the right air bag in the front compartment has been disconnected or a nonfactory disconnect switch has been installed to disable the air bag.

* * * Inspections; Emissions Repairs * * *

Sec. 27a. MOTOR VEHICLE INSPECTIONS; EMISSIONS REPAIRS

(a) As of March 20, 2017, the Department of Motor Vehicles has required all motor vehicle inspection stations to conduct inspections through an

Automated Vehicle Inspection Program (AVIP). AVIP replaced a paper-based inspection program, and it requires inspection data to be collected and stored electronically.

(b) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022 (inspection of motor vehicles), any vehicle inspected in Vermont prior to May 1, 2018 that fails the on board diagnostic (OBD) system portion of the inspection, if applicable, and passes the safety-related portion shall pass inspection and receive an inspection sticker, even if the vehicle has been subject to a prior inspection under AVIP and has previously failed the OBD system portion. In such cases, the inspection station shall provide the vehicle owner an inspection report indicating that the vehicle passed the safety portion of the inspection but failed the OBD portion, and that the owner has a 12-month period from the date of the inspection to make OBD system-related repairs.

* * * Motorboat Safety Equipment * * *

Sec. 28. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

(a) Every vessel shall carry and show the following lights when underway between sunset and sunrise:

* * *

(3) motorboats 26 feet or longer, a white light aft showing all around, visible for at least two miles, ~~a white light in the forepart of the boat showing all around,~~ and a light in the forepart of the boat showing red to port and green to starboard, visible at least one mile;

* * *

(g) Motorboats operated on waters that the U.S. Coast Guard has determined to be navigable waters of the United States and therefore subject to the jurisdiction of the United States must have lights and other safety equipment as required by U.S. Coast Guard rules and regulations.

Sec. 29. 23 V.S.A. § 3317 is amended to read:

§ 3317. PENALTIES

(a) A person who violates any of the following sections of this title shall be subject to a ~~fine~~ penalty of not more than \$50.00 for each violation:

* * *

§ 3306(a)–(d) and (g) lights and equipment

§ 3307a documented boat validation sticker

§ 3308	boat rental records
§ 3309	muffling device
§ 3311(c)	distance requirements
§ 3311(d)	underwater historic preserve area
§ 3311(e)	overloaded vessel
§ 3311(h)-(i)	authority of law enforcement officer
§ 3312	rules between vessels
§ 3313(b)	failing to file report
§ 3315(a)	water ski observer
§ 3315(c)	improper ski towing
§ 3316	boat races

* * *

* * * Injury Prevention; Educational Resource * * *

Sec. 30. PREVENTING INJURY ON PROPERTY USED FOR RECREATION

(a) The Secretary of Transportation, in consultation with the Commissioners of Fish and Wildlife and of Forests, Parks and Recreation, shall:

(1) Develop an educational resource for property owners related to the prevention of injuries arising from recreational use of property. At a minimum, this resource shall:

(A) note that failure to mark appropriately a chain, wire, cable, or similar material strung across a known path of recreational users can result in severe injury or death; and

(B) recommend means and methods to mark appropriately such chains, wires, cables, or similar materials.

(2) Take appropriate steps to cause this resource to be disseminated to owners of property in the State.

(b) Nothing in this section is intended to modify the rights, duties, liabilities, or defenses available to any person under any other law. Neither the existence of, nor the fact that a property owner received or may have received or been aware of, the educational resource required to be developed under this section shall be discoverable or used in any civil, criminal, or administrative proceeding.

* * * Effective Dates; Retroactivity; Sunset; Applicability * * *

Sec. 31. EFFECTIVE DATES; RETROACTIVITY; SUNSET;
APPLICABILITY

(a)(1) This section and Secs. 9 (licenses and permits to operate; refusals to issue), 15 (signs regarding length of vehicles), 16 (list of approved highways), 23 (motor vehicle purchase and use tax; extension of three-month period to reduce taxable cost), 24 (Vermont Strong license plates), 25–26 (incident clearance), 27 (inspections; mail carrier vehicles), 27a (inspections; emissions repairs), 28–29 (motorboat safety equipment), and 30 (injury prevention; educational resource) shall take effect on passage.

(2) In Sec. 14, 23 V.S.A. § 1209a(b) (reinstatement under Total Abstinence Program) shall take effect on passage.

(3) Notwithstanding 1 V.S.A. § 214, Sec. 23 shall apply retroactively to October 26, 2016.

(4) 23 V.S.A. § 1222(e), added in Sec. 27 (inspections; mail carrier vehicles), shall be repealed on July 1, 2020.

(b) In Sec. 14, 23 V.S.A. § 1213(l)(2) (timing of random retests and elimination of GPS requirement) shall take effect 60 days after passage of this act.

(c) All other sections shall take effect on July 1, 2017.

(d) In Sec. 14, 23 V.S.A. § 1213(l)(2) (timing of random retests and elimination of GPS requirement) shall apply to all persons with ignition interlock restricted driver's licenses as of the effective date of this provision and to persons whose underlying DUI offenses occurred prior to the effective date of this act, as well as to persons who obtain ignition interlock RDLs on or after the effective date of this provision.

(e) In Sec. 14, 23 V.S.A. § 1209a(b) (reinstatement under Total Abstinence Program) shall apply to persons whose periods of abstinence began prior to the effective date of this provision, as well as to persons who begin a period of abstinence on or after the effective date of this provision. In addition to hardship fee waivers authorized under 23 V.S.A. § 1209a(b), if a person's application for reinstatement under the Program was denied prior to the effective date solely because of use of a drug in accordance with a valid prescription, and the person used the drug in a manner consistent with the prescription label, the Commissioner shall waive the fee for a subsequent application.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Mazza, the Senate refused to

concur in the House proposal of amendment and requested a Committee of Conference.

House Proposal of Amendment Concurred In

J.R.S. 25.

House proposal of amendment to joint Senate resolution entitled:

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend conservation easements related to the former Hancock Lands and adjacent Averill Inholdings in Essex County and to sell the Bertha Tract in Mendon and the Burch Tract in Killington to the Trust for Public Land.

Was taken up.

The House proposes to the Senate to amend the joint resolution as follows:

The House proposes to the Senate that the resolution be amended by striking out the resolution in its entirety and inserting in lieu thereof the following:

Joint resolution authorizing the Commissioner of Forests, Parks, and Recreation to amend conservation easements related to the former Hancock Lands and adjacent Averill Inholdings in Essex County, to sell the Bertha Tract in Mendon and the Burch Tract in Killington to the Trust for Public Lands, to authorize the Commissioner to amend the Department of Forests, Parks and Recreation's existing lease with the Smuggler's Notch Management Company Ltd. and to authorize the Department to enter into a land exchange with the Smuggler's Notch Management Company Ltd.

Whereas, in 1996, the Department of Forests, Parks and Recreation acquired from the John Hancock Mutual Life Insurance Company a conservation easement for certain lands (known as the Hancock Lands) in Warren's Gore, and separately in 2005, the Department acquired a second conservation easement for inholdings within the former Hancock Lands in the town of Averill, and

Whereas, these easements envisioned that the covered lands could be subdivided and would be dedicated primarily to conservation purposes but commercial forestry management, including maple sugaring and syrup activities, were permissible, and

Whereas, the Department has now determined that the language in both easements is ambiguous concerning the construction of forestry management-related structures such as a sugarhouse, and

Whereas, upon consultation with the U.S. Forest Service, whose Forest Legacy Program facilitated the Department's acquisition of the easements, the Department has determined the easements should be amended with clarifying language subject to the approval of the owners of the parcels that resulted from the subdivision, and

Whereas, the Department owns the Bertha Tract in Mendon and the adjacent Burch Tract in Killington, both of which contain Green Mountain Club-held easements for segments of the Long Trail, and

Whereas, the Department proposes to sell these tracts to the Trust for Public Land in anticipation of their eventual transfer to the U.S. Forest Service for inclusion in the Green Mountain National Forest at which time the Green Mountain Club's easements would terminate and the covered Long Trail segments would be subject to federal protection, and

Whereas, in 1987, the Department entered into a lease with the Smuggler's Notch Management Company Ltd. (Smuggler's Notch), terminating in 2058 and renewable in ten-year increments, in which the Department leases 2,000 acres (the boundaries having last been amended in 2005) in the Mt. Mansfield State Forest to Smuggler's Notch for use as a ski resort, and

Whereas, under the terms of the lease, Smuggler's Notch's Madonna-Sterling base lodge (and all other buildings and structures on the leasehold property) have remained State property, and

Whereas, the 45-year-old lodge is in need of major improvements and the current lease makes it economically difficult for Smuggler's Notch to finance these improvements, and

Whereas, Smuggler's Notch proposes to assume ownership of the base lodge and two acres of surrounding land contained in the leasehold and in exchange Smuggler's Notch proposes: (i) to relinquish its leasehold interest in approximately 330 acres of land near the summit of Whiteface Mountain, and (ii) to convey a right-of-way to the State across a separate parcel of land that Smuggler's Notch owns in the Mt. Mansfield State Forest, and

Whereas, Smuggler's Notch would be responsible for property taxes for the base lodge and the two-acre parcel and would continue to make payments in lieu of base lodge rent, using the formula now in place, and

Whereas, Smuggler's Notch will work with the Department to update the lease, and

Whereas, pursuant to the authority granted in 10 V.S.A. § 2606(b), the Commissioner of Forests, Parks and Recreation believes that these land transactions are in the best interest of the State, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly authorizes the Commissioner of Forests, Parks and Recreation:

First: To amend certain terms and conditions of the conservation easements that the Department acquired with federal Forest Legacy funding: (i) on approximately 31,000 acres (known as the Hancock Lands) from the John Hancock Mutual Life Insurance Company on December 17, 1996; and (ii) on 210 acres (known as the Averill Inholdings) from the Trust for Public Land on December 7, 2005 in order to clarify the allowed uses for forestry-management-related structures and facilities, including their associated infrastructure and utilities.

Second: To sell to the Trust for Public Land two tracts, with the goal that the Trust will subsequently convey these tracts to the U.S. Forest Service for inclusion in the Green Mountain National Forest: (i) an approximately 113-acre tract in the town of Mendon (known as the Bertha Tract), and (ii) a 58-acre tract in the town of Killington (known as the Burch Tract), both of which the Department acquired from the Green Mountain Club on March 31, 2003 and that the sale shall be pursuant to the terms of a mutually satisfactory purchase and sales agreement. The selling price shall be based on the tracts' fair market value that an appraisal shall determine. The sale of these tracts is contingent on support from the towns of Mendon and Killington. The proceeds of the sale shall be deposited in the Agency of Natural Resources Land Acquisition Fund to be used to acquire additional properties for Long Trail protection purposes.

Third: To amend the lease between the Department and Smuggler's Notch to:

(1) Revise the leasehold boundary to conform to the land exchange authorized in the fourth provision of this resolution.

(2) Include new lease provisions: (i) authorizing the Department to add new terms to reflect new laws, administrative rules, and policies should the leasehold be sold, including the sale of all or substantially all of the lessee's assets; and (ii) clarifying the various types of revenue generated within the ski leasehold area that must be incorporated into the ski lease fee payment but not changing the underlying formula.

(3) Update the indemnification and liability language to meet current State requirements.

(4) Clarify public access rights to the leasehold land, including Smuggler's Notch's right to restrict access for safety reasons.

Fourth: To enter into a land exchange with Smuggler's Notch that provides for:

(1) The Department to convey to Smuggler's Notch the base lodge and approximately two acres of surrounding land located within the Smuggler's Notch leasehold.

(2) Smuggler's Notch's relinquishing to the State 330 acres more or less of land within the leasehold located below the summit of Whiteface Mountain.

(3) Smuggler's Notch's conveying to the Department, for management purposes in the Mt. Mansfield State Forest, a right-of-way, for a route to be mutually agreed upon, through a separate parcel of land that Smuggler's Notch owns on the west side of Route 108.

(4) That the proposed exchanges listed in subdivisions (1)–(3) of this provision of the resolution are contingent on the approval of the Town of Cambridge and that Smuggler's Notch's leasehold interest in the 330 more or less acres to be removed from the lease be equal or greater than the appraised value of the base lodge and two acres of surrounding land.

(5) That Smuggler's Notch, upon the conveyance of the base lodge and the surrounding approximately two acres to its ownership, shall continue to pay the Department 2.5 percent of all revenue generated at the base lodge for as long as the lease shall remain in effect, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Commissioner of Forests, Parks and Recreation.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

**Report of Committee of Conference Accepted and Adopted on the Part of
the Senate**

H. 42.

Senator Collamore, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to appointing municipal clerks and treasurers and to municipal audit penalties.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that

the bill be further amended by striking out Sec. 4, 24 V.S.A. § 1686 (penalty) in its entirety and inserting in lieu thereof the following:

Sec. 4. 24 V.S.A. § 1686 is amended to read:

§ 1686. PENALTY

(a) At any time in their discretion, town auditors may, and if requested by the selectboard, shall, examine and adjust the accounts of any town officer authorized by law to receive or disburse money belonging to the town.

(b) If the town has voted to eliminate the office of auditor, the public accountant employed by the selectboard shall perform the duties of the town auditors under subsection (a) of this section upon request of the selectboard.

(c)(1) Any If, after at least five business days following his or her receipt by certified mail of a written request by the auditors or public accountant that is approved and signed by the legislative body, a town officer who willfully refuses or neglects to submit his or her books, accounts, vouchers, or tax bills to the auditors or the public accountant upon request, or to furnish all necessary information in relation thereto, that town officer shall be ineligible to reelection for the year ensuing and be subject to the penalties otherwise prescribed by law.

(2) A town officer who violates subdivision (1) of this subsection (c) shall be personally liable to the town for a civil penalty in the amount of \$100.00 per day until he or she submits or furnishes the requested materials or information. A town may bring an action in the Civil Division of the Superior Court to enforce this subdivision.

(d) As used in this section, the term “town officer” shall not include an officer subject to the provisions of 16 V.S.A. § 323.

BRIAN P. COLLAMORE

CLAIRE D. AYER

CHRISTOPHER A. PEARSON

Committee on the part of the Senate

MARCIA L. GARDNER

RONALD E. HUBERT

PATTI J. LEWIS

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Senate Resolution Adopted**S.R. 9.**

Senate resolution entitled:

Senate resolution relating to the appointment of Robin Lunge to the Green Mountain Care Board

Having been placed on the Calendar for action, was taken up and adopted.

Appointment Confirmed

The following Gubernatorial appointment was confirmed separately by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Lunge, Robin of Berlin - Member, Green Mountain Care Board - November 28, 2016, to November 27, 2022.

Was confirmed by the Senate on a roll call Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brooks, Campion, Clarkson, Collamore, Cummings, Degree, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Mullin, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Rules Suspended; Bills Messaged

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

S. 56, H. 42, H. 503, H. 518, H. 519, J.R.S. 25.

Committees of Conference Appointed**H. 74.**

An act relating to nonconsensual sexual conduct.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Sears
Senator Flory
Senator White

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 508.

An act relating to building resilience for individuals experiencing adverse childhood experiences.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Lyons
Senator Ayer
Senator Ingram

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 Ashe, the Senate adjourned until two o'clock in the afternoon.

Afternoon

The Senate was called to order by the President.

Bills Referred

Pursuant to Temporary Rule 44A the following bills having failed to meet cross-over and being referred to the Committee on Rules are hereby referred to their respective committees of jurisdictions:

H. 524.

An act relating to approval of amendments to the charter of the Town of Hartford.

To the Committee on Government Operations.

H. 527.

An act relating to approval of amendments to the charter of the Town of East Montpelier and to the merger of the Town and the East Montpelier Fire District No. 1.

To the Committee on Government Operations.

H. 536.

An act relating to approval of amendments to the charter of the Town of Colchester.

To the Committee on Government Operations.

Rules Suspended; Bill Referred to Committee on Appropriations**H. 510.**

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and Senate bill entitled:

An act relating to the cost share for State agricultural water quality financial assistance grants.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the bill carrying an appropriation and requiring the expenditure of funds, was referred to the Committee on Appropriations under Senate Rule 31.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged**H. 516.**

House bill entitled:

An act relating to miscellaneous tax changes.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sirotkin, Baruth, Cummings, Ingram, Lyons, MacDonald, Pearson and Pollina moved to amend the Senate proposal of amendment as follows:

First: In the ninth proposal of amendment, following Sec. 52, by redesignating Sec. 53 (effective dates) to be Sec. 62 and inserting reader assistance and Secs. 53–62 to read:

* * * Vermont Housing and Conservation Board;
Housing Bond Proceeds for Affordable Housing * * *

Sec. 53. FINDINGS AND PURPOSE; AFFORDABLE HOUSING BOND

(a) Findings.

(1) The General Assembly finds that investments are needed to help house the most vulnerable as well as creating more homes for workers.

(2) The shortage of affordable and available homes has been highlighted recently by:

(A) the Vermont Futures Project of the Vermont Chamber of Commerce, which set a growth target of 5,000 new and improved housing units annually;

(B) a national consultant's recommendations for a Roadmap to End Homelessness, which calls for, over the next five years, 368 new units for

permanent supportive housing and 1,251 new homes affordable to families with income that is not more than 30 percent of the median; and

(C) the 2015 statewide housing needs assessment by Bowen National Research, which found the largest gaps in housing affordable to households with income below 30 percent of median and households with income between 85 percent and 120 percent of median and found a lack of housing availability across the income spectrum.

(b) Purpose. The purpose of Secs. 54–61 of this act is to promote the development and improvement of housing for Vermonters.

Sec. 54. 10 V.S.A. § 314 is added to read:

§ 314. AFFORDABLE HOUSING BOND; INVESTMENT

The Vermont Housing and Conservation Board shall use the proceeds of bonds, notes, and other obligations issued by the Vermont Housing Finance Agency pursuant to subdivision 621(22) of this title and transferred to the Vermont Housing and Conservation Trust Fund to fund the creation and improvement of owner-occupied and rental housing for Vermonters with very low to middle income, in areas targeted for growth and reinvestment, as follows:

(1) not less than 25 percent of the housing shall be targeted to Vermonters with very low income, meaning households with income below 50 percent of area median income;

(2) not less than 25 percent of the housing shall be targeted to Vermonters with moderate income, meaning households with income between 80 and 120 percent of area median income; and

(3) the remaining housing shall be targeted to Vermonters with income that is less than or equal to 120 percent of area median income, consistent with the provisions of this chapter.

Sec. 55. 10 V.S.A. § 323 is amended to read:

§ 323. ANNUAL REPORT

Prior to January 31 of each year, the ~~board~~ Board shall submit a report concerning its activities to the ~~governor~~ Governor and ~~legislative committees on agriculture, natural resources and energy, appropriations, ways and means, finance, and institutions~~ to the House Committees on Agriculture and Forestry, on Appropriations, on Corrections and Institutions, on Natural Resources, Fish and Wildlife, and on Ways and Means and the Senate Committees on Agriculture, on Appropriations, on Finance, on Institutions, and on Natural Resources and Energy. The report shall include, ~~but not be limited to~~, the following:

(1) a list and description of activities funded by the ~~board~~ Board during the preceding year, including commitments made to fund projects through housing bond proceeds pursuant to section 314 of this title, and project descriptions, levels of affordability, and geographic location;

* * *

* * * Allocation of Property Transfer Tax Revenues * * *

Sec. 56. 32 V.S.A. § 9610 is amended to read:

§ 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF RETURNS

(a) Not later than 30 days after the receipt of any property transfer return, a town clerk shall file the return in the office of the town clerk and electronically forward a copy of the acknowledged return to the Commissioner; provided, however, that with respect to a return filed in paper format with the town, the Commissioner shall have the discretion to allow the town to forward a paper copy of that return to the ~~department~~ Department.

(b) The copies of property transfer returns in the custody of the town clerk may be inspected by any member of the public.

(c) Prior to distributions of property transfer tax revenues under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), and ~~32 V.S.A. §~~ subdivision 435(b)(10) of this title, two percent of the revenues received from the property transfer tax shall be deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs.

(d)(1) Prior to any distribution of property transfer tax revenue under 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and subsection (c) of this section, \$2,500,000.00 of the revenue received from the property transfer tax shall be transferred to the Vermont Housing Finance Agency to pay the principal of and interest due on the bonds, notes, and other obligations authorized to be issued by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(2) As long as the bonds, notes, and other obligations incurred pursuant to subdivision (1) of this subsection remain outstanding, the rate of tax imposed pursuant to section 9602 of this title shall not be reduced below a rate estimated, at the time of any reduction, to generate annual revenues of at least \$12,000,000.00.

* * * Vermont Housing Finance Agency; Authority to Issue Bonds for
Affordable Housing * * *

Sec. 57. 10 V.S.A. § 621 is amended to read:

§ 621. GENERAL POWERS AND DUTIES

The Agency shall have all of the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter, including without limitation those general powers provided a business corporation by 11A V.S.A. § 3.02 and those general powers provided a nonprofit corporation by 11B V.S.A. § 3.02 and including, without limiting the generality of the foregoing, the power to:

* * *

(21) use funds received from real estate trust and escrow accounts established under 26 V.S.A. § 2214(c), IORTA funds, for down payment and closing cost assistance with priority given to persons and families at or below 90 percent of median income and to persons and families purchasing perpetually affordable housing;

(22) issue bonds, notes, and other obligations secured by the property transfer tax revenues transferred to the Agency pursuant to 32 V.S.A. § 9610(d).

Sec. 58. 10 V.S.A. § 631(l) is added to read:

(l)(1) The bonds, notes, and other obligations authorized to be issued pursuant to subdivision 621(22) of this title shall be secured by a pledge of the property transfer tax revenues to be transferred to the Agency pursuant to 32 V.S.A. § 9610(d) and shall mature on or before June 30, 2038.

(2) The Agency may issue the bonds, notes, and other obligations in one or more series at one time or from time to time, provided that the aggregate annual debt service on the bonds, notes, and other obligations shall not exceed \$2,500,000.00 at any time.

(3) The Agency shall transfer the proceeds of the bonds, notes, and other obligations, less issuance fees and costs and required reserves, to the Vermont Housing and Conservation Trust Fund established pursuant to section 312 of this title for use by the Vermont Housing and Conservation Board as provided in section 314 of this title.

(4) The Agency, the Vermont Housing and Conservation Board, and the State Treasurer may execute one or more agreements governing the terms and conditions under which the property transfer tax revenues that secure the bonds, notes, and obligations shall be transferred to the Agency, and any other issues they determine appropriate.

* * * Rooms and Meals Tax; Imposition of Surcharge for
Affordable Housing Bond * * *

Sec. 59. 32 V.S.A. § 9241a is added to read:

§ 9241a. AFFORDABLE HOUSING SURCHARGE;
ALLOCATION OF REVENUES

(a) In addition to the tax on the rent of each occupancy imposed in section 9241 of this title, an operator shall collect an affordable housing surcharge of \$0.35 for each night of the occupancy.

(b) The revenues generated by the surcharge imposed in subsection (a) of this section shall be allocated as follows:

(1) the first \$1,000,000.00 shall be transferred to the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312; and

(2) any remaining revenues shall be transferred to the General Fund created in section 435 of this title.

(c) The provisions of this chapter relating to the imposition, collection, remission, and enforcement of the meals and rooms tax imposed in section 9241 of this title shall apply to the affordable housing surcharge imposed in this section.

* * * Appropriation; Vermont Housing and Conservation Board * * *

Sec. 60. INTENT; FUNDING FOR AFFORDABLE HOUSING BOND
PROGRAM; ALLOCATION OF PROPERTY TRANSFER TAX
REVENUES

(a) Revenues from the property transfer tax are currently allocated pursuant to statute as follows:

(1) The first two percent is deposited in a special fund in the Department of Taxes for Property Valuation and Review administration costs pursuant to 32 V.S.A. § 9610(c).

(2) Of the remaining 98 percent of the revenues:

(A) 17 percent is deposited in the Municipal and Regional Planning Fund created in 24 V.S.A. § 4306.

(B) 50 percent is deposited in the Vermont Housing and Conservation Trust Fund created in 10 V.S.A. § 312.

(C) 33 percent is deposited in the General Fund created in 32 V.S.A. § 435.

(b) Pursuant to Sec. 56 of this act, in 32 V.S.A. § 9610(d), the first \$2,500,000.00 of revenue generated from the property transfer tax is

transferred to the Vermont Housing Finance Agency to service the bonds, notes, and other obligations incurred by the Agency pursuant to 10 V.S.A. § 621(22), the proceeds of which the Vermont Housing and Conservation Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

(c) Transferring the first \$2,500,000.00 of property transfer tax revenues to the Vermont Housing Finance Agency for debt service creates a proportionate reduction in the amount of revenues available for allocation to the respective statutory recipients identified in subsection (a) of this section.

(d) To compensate for this reduction of available property transfer tax revenue, it is the intent of the General Assembly through this act to provide for the transfer of \$2,500,000.00 to the Vermont Housing and Conservation Trust Fund, as follows:

(1) Sec. D.100(a)(2) of H.518 (2017) appropriates \$11,304,840.00 in fiscal year 2018 from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Upon the effective date of this act, the Board shall transfer the amount of \$1,500,000.00 back to the Fund, resulting in a fiscal year 2018 total appropriation to the Board of \$9,804,840.00.

(2) As provided in Sec. 59 of this act, pursuant to 32 V.S.A. § 9241a, the first \$1,000,000.00 generated by the affordable housing surcharge shall be transferred to the Vermont Housing and Conservation Trust Fund.

* * * Repeal of Affordable Housing Bond Provisions After 20 Years * * *

Sec. 61. REPEAL

The following shall be repealed on July 1, 2038:

(1) 10 V.S.A. § 314 (Vermont Housing and Conservation Board; affordable housing bond and investments).

(2) 32 V.S.A. § 9610(d) (property transfer tax priority for affordable housing debt repayment).

(3) 10 V.S.A. § 621(22) (Vermont Housing Finance Agency (VHFA) authority to issue debt obligations secured by property transfer tax).

(4) 10 V.S.A. § 631(l) (debt obligations issued by VHFA).

(5) 32 V.S.A. § 9241a (affordable housing surcharge).

Second: In the ninth proposal of amendment in the redesignated Sec. 62 (effective dates) by adding a subdivision (13) to read:

(13) Secs. 53–61 (affordable housing) shall take effect on July 1, 2017.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as recommended by Senators Sirotkin, Baruth, Cummings, Ingram, Lyons, MacDonald, Pearson and Pollina?, Senator Sirotkin requested and was granted leave to withdraw the proposal of amendment.

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

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning.

FRIDAY, APRIL 28, 2017

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. 55

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

Mr. President:

I am directed to inform the Senate that:

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

S. 9. An act relating to the preparation of poultry products.

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

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

H. 518. 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. Toll of Danville
Rep. Fagan of Rutland City
Rep. Hooper of Montpelier

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. 50. An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility.

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

Rep. Briglin of Thetford
Rep. Copeland-Hanzas of Bradford
Rep. Christensen of Weathersfield

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. 75. An act relating to aquatic nuisance species control.

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

Rep. Sullivan of Burlington
Rep. Deen of Westminster
Rep. Squirrell of Underhill

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

H. 184. An act relating to evaluation of suicide profiles.

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. 230. An act relating to consent by minors for mental health treatment related to sexual orientation and gender identity.

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. 308. An act relating to a committee to reorganize and reclassify Vermont's criminal statutes.

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

The House has considered Senate proposals of amendment to the following House bills:

H. 5. An act relating to investment of town cemetery funds.

H. 497. An act relating to health requirements for animals used in agriculture.

And has severally concurred therein.

Proposals of Amendment; Third Reading Ordered

H. 506.

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

An act relating to professions and occupations regulated by the Office of Professional Regulation.

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

First: By striking out Secs. 22–24 (regarding real estate appraisers) in their entirety and inserting in lieu thereof the following:

Sec. 22. 26 V.S.A. § 3314 is amended to read:

§ 3314. BOARD; POWERS AND DUTIES

* * *

(b) In addition to its other powers and duties under this chapter, the Board shall:

* * *

~~(5) Inquire of the Vermont Crime Information Center for any information on criminal records of any and all applicants, and the Center shall provide such information to the Board. The Board, through the Vermont Crime Information Center, shall also inquire of the appropriate state criminal record repositories in all states in which it has reason to believe an applicant has resided or been employed, and it shall also inquire of the Federal Bureau of Investigation for any information on criminal records of applicants. The Board shall obtain fingerprints of the applicant, in digital form if practicable, and any appropriate identifying information for submission to the Federal Bureau of Investigation in connection with a state and national background check. Applicants shall bear all costs associated with background screening. The~~

Board may also make additional inquiries it deems necessary into the character, integrity, and reputation of the applicant.

(6) Perform other functions and duties as may be necessary to carry out the provisions of this chapter and to comply with the requirements of the Act, including by adopting rules defining and regulating appraisal management companies in a manner consistent with the Act.

Sec. 23. 26 V.S.A. § 3320a is amended to read:

§ 3320a. APPRAISAL MANAGEMENT COMPANIES

~~(a) An appraisal management company acts as a broker in acquiring finished appraisals from real estate appraisers and supplying the appraisals to third parties, but appraisal management companies are not licensed to perform real estate appraisals under this chapter. Acting as an appraisal management company includes:~~

- ~~(1) administering or assigning work to licensed real estate appraisers;~~
- ~~(2) receiving requests for real estate appraisals from clients;~~
- ~~(3) receiving a fee paid by clients for acquiring real estate appraisals; or~~
- ~~(4) entering into an agreement with one or more real estate appraisers to perform appraisals.~~

~~(b) An appraisal management company does not include:~~

- ~~(1) a government agency;~~
- ~~(2) a bank, credit union, licensed lender, or savings institution;~~
- ~~(3) a person or entity that has as its primary business the performance of appraisals in accordance with this chapter but who or which, in the normal course of business, engages the services of a licensed appraiser to perform appraisals or related services that the person or entity cannot perform because of the location or type of property in question, workload, scope of practice required by an assignment, or to otherwise maintain professional responsibility to clients.~~

~~(c) An appraisal management company shall register with the Board prior to conducting business in this State. An application shall include a registration fee and information required by the Board that is necessary to determine eligibility for registration.~~

~~(d) When contracting for the performance of real estate appraisal services, an appraisal management company shall only engage the professional services of an appraiser licensed and in good standing to practice pursuant to this chapter.~~

~~(e) A registrant's employee reviewing finished appraisals shall be certified or licensed in good standing in one or more states and shall be certified at a level that corresponds with or is higher than the level of licensure required to perform the appraisal. [Repealed.]~~

Sec. 24. BOARD OF REAL ESTATE APPRAISERS, RULEMAKING
AUTHORITY; GENERAL ASSEMBLY, INTENT; OFFICE OF
PROFESSIONAL REGULATION, PRELIMINARY
ASSESSMENT AND REPORT

(a) Rulemaking authority. The Board of Real Estate Appraisers may adopt the rules described in Sec. 22 of this act, (26 V.S.A. § 3314(b)(6)) prior to the effective date of that section.

(b) Intent. The amendments regarding real estate appraisers set forth in Secs. 22 and 23 of this act are intended to facilitate an informed decision by the General Assembly regarding whether the State should opt in or out of appraisal management company regulation in accordance with federal law permitting such state discretion and to allow Board rulemaking in preparation for that legislative decision.

(c) Preliminary assessment. The Director of the Office of Professional Regulation shall conduct a preliminary assessment of appraisal management company regulation in accordance with 26 V.S.A. chapter 57 and report his or her findings and recommendations to the Senate and House Committees on Government Operations on or before January 1, 2018.

Second: By striking out Sec. 35 (effective dates) in its entirety and its reader assistance heading and inserting in lieu thereof the following:

* * * Professional Regulation Report * * *

Sec. 35. PROFESSIONAL REGULATION REPORT

(a) The Director of the Office of Professional Regulation (Office) and leaders of the relevant agencies and departments shall cooperate in analyzing the professional regulation reports and other information gathered as a result of the professional regulation survey required by 2016 Acts and Resolves No. 156, Secs. 20 and 21.

(b) On or before December 15, 2017, the Office shall recommend to the Senate and House Committees on Government Operations any opportunities discovered as a result of the analysis described in subsection (a) of this section that would allow State government to operate in a more effective and efficient manner by consolidating the licensing functions or otherwise by reforming licensing practices in conformity with the policies set forth in 26 V.S.A. chapter 57 (review of regulatory laws).

* * * Effective Dates * * *

Sec. 36. EFFECTIVE DATES

This act shall take effect on July 1, 2017, except:

(1) Sec. 23, 26 V.S.A. § 3320a (appraisal management companies), shall take effect on August 10, 2018; and

(2) this section and the following sections shall take effect on passage:

(A) Sec. 24 (Board of Real Estate Appraisers, rulemaking authority; General Assembly, intent; Office of Professional Regulation, preliminary assessment and report);

(B) Secs. 33 and 34 (regarding APRN services in nursing homes); and

(C) Sec. 35 (professional regulation report).

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; Bill Passed in Concurrence with Proposal of Amendment

H. 509.

House bill entitled:

An act relating to calculating statewide education tax rates.

Was taken up.

Thereupon, pending third reading of the bill, Senators Cummings, Campion, Degree, Lyons, MacDonald and Pollina moved to amend the Senate proposal of amendment as follows:

First: By adding a fourth proposal of amendment as follows: By inserting a new section to be numbered Sec. 6a to read as follows:

Sec. 6a. CALCULATION OF TAX RATES FOR MEMBER TOWNS IN VOLUNTARY SCHOOL GOVERNANCE MERGERS.

(a) Definitions. As used in this section:

(1) "Five percent provision" means collectively the provisions in 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No.156, and 2015 Acts and Resolves No. 46, limiting a town's equalized homestead property tax rate increase or decrease, and related household income percentage adjustments to

five percent in a single year during the years in which the corresponding tax rate reductions apply to a new union school district's equalized unified homestead property rate.

(2) "Tax rate reductions" means collectively the equalized homestead property tax rate reductions, and related household income percentage reductions, provided for voluntary school governance mergers in 2010 Act and Resolves No. 153, 2012 Acts and Resolves No. 156, and 2015 Acts and Resolves No. 46.

(3) "Education spending in the prior fiscal year" means the total education spending of all merging districts in the year prior to merger, divided by the total number of equalized pupils of all the merging districts in the year prior to merger.

(4) "Tax rate of a member town" means collectively the equalized homestead property tax rate, and related household income percentage reductions, for the referenced town.

(b) Tax rate reduction review.

(1) In a fiscal year in which the tax rate reductions are applied to a new union school district, if the district's education spending per equalized pupil increases by four percent or less over its education spending per equalized pupil in the prior fiscal year, then it shall be presumed to not trigger Tax Rate Reduction Review.

(2) In a fiscal year in which the tax rate reductions are applied to a new union school district, if the district's education spending per equalized pupil increases by more than four percent over its education spending per equalized pupil in the prior fiscal year, then it shall be subject to a Tax Rate Reduction Review.

(3) Upon the request of the Secretary, a union school district shall submit its budget to Tax Rate Reduction Review to determine whether its increase in education spending per equalized pupil was beyond the school district's control or for other good cause. In conducting the Review, the Secretary will select three business managers and three superintendents to serve in an advisory role in the Review. The Review shall consider at least the following factors:

(A) The extent to which the increase in education spending per equalized pupil is caused by declining enrollment in the union school district.

(B) The extent to which the increase in education spending per equalized pupil is caused by unifying employee contracts in the course of the union school district formation process.

(C) The extent to which the increase in education spending per equalized pupil is caused by increases in tuition paid by the union school district.

(4) If, at the conclusion of the Review, the Secretary determines that the union school district's budget contains excessive increases in educational spending per equalized pupil that are within the district's control and are not supported by good cause, then union school district rates for the fiscal year will be determined as follows:

(A) The tax rate of a member town that would otherwise be increased by no more than five percent shall be increased by no more than five percent plus the difference between a four percent increase in education spending per equalized pupil and the actual increase in the union school district's education spending per equalized pupil.

(B) The tax rate of a member town that would otherwise be decreased by no more than five percent shall be decreased by no more than five percent minus the difference between a four percent increase in education spending per equalized pupil and the actual increase in the union school district's education spending per equalized pupil.

Second: By adding a proposal of amendment as follows: By striking out Sec. 7 (effective dates) in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. EFFECTIVE DATES

This act shall take effect July 1, 2017 and apply to fiscal year 2018 and after, except Sec. 6a (calculation of rates in certain districts), which shall take effect on passage and shall apply to all budgets voted on by the electorate after the date of passage.

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Degree moved to amend the Senate proposal of amendment as follows:

First: In Sec. 1, subdivision (1), by striking out the following: "\$10,015.00" and inserting in lieu thereof the following: \$10,100.00, and in subdivision (2), by striking out the following: "\$11,820.00" and inserting in lieu thereof the following: \$11,920.00

Second: In Sec. 2, by striking out the following: "\$1.563" and inserting in lieu thereof the following: \$1.552

Third: By striking out Sec. 7, effective date, and its reader assistance in their entirety and inserting in lieu thereof a reader assistance heading and eight new sections to be numbered Secs. 7, 8, 9, 10, 11, 12, 13 and 14 to read as

follows:

* * * Health Care Benefits and Coverage for School Employees * * *

Sec. 7. FINDINGS

(a) Vermont's school employees receive health coverage through the Vermont Education Health Initiative (VEHI). Actuarial analysis of current VEHI plans indicates they have among the highest actuarial values of any health insurance plan offered in the State of Vermont. Premiums for VEHI plans are up to nine percent higher than those for a Blue Cross Blue Shield platinum plan offered through Vermont Health Connect.

(b) In response, the VEHI is replacing existing school employee health insurance plans with plans designed to be competitive with Vermont Health Connect.

(c) This change means that, as of January 1, 2018, all school employees will be on new health care plans.

(d) The new health plans cover the same health care services and networks, but they have lower premium costs. The savings associated with lower premiums is estimated at \$75 million.

(e) The new plans also create higher out-of-pocket exposure through deductibles and co-payment requirements. However, because the premiums for these plans are markedly lower, there are opportunities to keep employees' out-of-pocket costs at current levels while also realizing up to \$26 million in savings.

(f) These new plans have made health insurance negotiations more complex. In at least 20 supervisory unions, the parties have declared impasse over the inability to negotiate the transition to new health insurance plans.

(g) The State of Vermont is uniquely positioned to bargain health care benefits and coverage with school employees in a manner that ensures fairness and equity for school employees, delivers savings for property taxpayers, and contributes to the sustainability of the State Teachers' Retirement System.

Sec. 8. 16 V.S.A. § 2004 is amended to read:

§ 2004. AGENDA

(a) The school board, through its negotiations council, shall, upon request, negotiate with representatives of the teachers' or administrators' organization negotiations council on matters of salary, related economic conditions of employment, the manner in which it will enforce an employee's obligation to pay the agency service fee, procedures for processing complaints and grievances relating to employment, and any mutually agreed upon matters not

in conflict with the statutes and laws of the State of Vermont.

(b) As used in this section, the terms “salary” and “related economic conditions of employment” shall not include health care benefits or coverage. Health care benefits and health coverage, including health reimbursement and health savings accounts, shall not be subject to collective bargaining pursuant to this section, but shall be determined on a statewide basis pursuant to section 2031 of this chapter.

Sec. 9. 16 V.S.A. chapter 57, subchapter 5 is added to read:

Subchapter 5: Negotiations for Health Care Benefits and Coverage

§ 2031. HEALTH CARE BENEFITS AND COVERAGE FOR SCHOOL EMPLOYEES; NEGOTIATION

(a)(1) The statewide labor organizations that represent teachers, administrators, and municipal school employees, as defined in 21 V.S.A. § 1722, shall jointly negotiate with the Governor or designee to determine the health care benefits and coverage, including contributions to health reimbursement and health savings accounts, the percentage of the premium to be paid by school employees and by the supervisory district, supervisory union, or school district, and other terms and conditions of health coverage that shall be available to school employees in Vermont.

(2) The labor organizations and the Governor or designee shall enter into a written agreement applicable to all teachers, administrators, and municipal school employees statewide that sets forth the health care benefits and coverage, including contributions to health reimbursement and health savings accounts, if any, the percentage of the premium to be paid by school employees and by the supervisory district, supervisory union, or school district, and all other terms and conditions of health coverage that are agreed to.

(b) Notwithstanding any provision of this chapter to the contrary, negotiations pursuant to this section shall be subject to the provisions of 3 V.S.A. chapter 27, subchapters 2 and 4 for the purposes of impasse resolution and the prevention and adjudication of unfair labor practices.

(c) An agreement pursuant to subsection (a) of this section shall be ratified by a statewide majority vote of the teachers, administrators, and municipal school employees who are represented for purposes of collective bargaining pursuant to this chapter or 21 V.S.A. chapter 22. A referendum on the agreement shall be conducted by secret ballot by each represented bargaining unit, and the results of the referendum shall be submitted to the Vermont Labor Relations Board for tabulation of the statewide results.

(d) All supervisory districts, supervisory unions, and school districts shall

provide health care benefits and coverage to their teachers, administrators, and municipal school employees in accordance with the terms of the agreement between the State and the labor organizations entered into pursuant to subsection (a) of this section.

Sec. 10. 21 V.S.A. § 1722 is amended to read:

§ 1722. DEFINITIONS

As used in this chapter:

* * *

(12) “Municipal employee” means any employee of a municipal employer, including a municipal school employee or a professional employee as defined in subdivision 1502(11) of this title, except:

* * *

(17) “Wages, hours, and other conditions of employment” means any condition of employment directly affecting the economic circumstances, health, safety, or convenience of employees but excluding matters of managerial prerogative as defined in this section. For collective bargaining related to municipal school employees, “wages, hours, and other conditions of employment” shall not include health care benefits or coverage.

* * *

(21) “Municipal school employee” means an employee of a supervisory district, supervisory union, or school district that is not otherwise subject to 16 V.S.A. chapter 57 (labor relations for teachers and administrators).

Sec. 11. 21 V.S.A. § 1725 is amended to read:

§ 1725. COLLECTIVE BARGAINING PROCEDURE

(a)(1) For the purpose of collective bargaining, the representatives of the municipal employer and the bargaining unit shall meet at any reasonable time and shall bargain in good faith with respect to wages, hours, and conditions of employment, and shall execute a written contract incorporating any agreement reached; provided, however, neither party shall be compelled to agree to a proposal nor to make a concession, nor to bargain over any issue of managerial prerogative.

(2) For purposes of collective bargaining related to municipal school employees, “wages, hours, and conditions of employment” shall not include health care benefits or coverage. Health care benefits and coverage, including health reimbursement and health savings accounts, shall not be subject to collective bargaining pursuant to this section, but shall be determined on a statewide basis pursuant to 16 V.S.A. § 2031.

* * *

Sec. 12. TRANSITIONAL PROVISIONS APPLICABLE TO PLAN YEARS
2018, 2019, AND 2020

Notwithstanding any provision of 16 V.S.A. chapter 57, subchapter 5 to the contrary, for plan years 2018, 2019, and 2020, the negotiations between the Governor or designee and the statewide labor organizations that represent teachers, administrators, and municipal school employees, as defined in 21 V.S.A. § 1722, to establish the terms of health care benefits and coverage for all school employees shall be limited to:

(1) the percentage of the premium to be paid by school employees and by the supervisory district, supervisory union, or school district for one or more of the health benefit plans offered by the Vermont Education Health Initiative for plan year 2018;

(2) the amounts of the supervisory districts', supervisory unions', and school districts' contributions to school employees' health reimbursement accounts, health savings accounts, or both; and

(3) other terms and conditions of health coverage.

Sec. 13. SAVINGS FROM HEALTH CARE TRANSITION

(a) After entering into an agreement for health care benefits and coverage pursuant to 16 V.S.A. § 2031, the Governor or designee shall notify each supervisory district, supervisory union, and school district of the required employer and employee contributions for single, two-person, parent-child, and family plans and for any health reimbursement or health savings account.

(b) On or before June 30, 2017 or 30 days after the adoption of its annual budget, whichever is later, each supervisory district, supervisory union, and school district shall submit to the Secretary of Education and the Commissioner of Finance and Management a report documenting its actual health care costs for calendar years 2016 and 2017 and its budgeted health care costs for 2018. This report shall be on a form prescribed by the Commissioner of Finance and Management and shall specify the employee contribution and employer contribution totals for each calendar year.

(c) Notwithstanding any other provision of law, for fiscal year 2018 only, the State shall offset the amount of savings between budgeted and actual costs for health care benefits and coverage against the fiscal year 2018 payment to each supervisory district, supervisory union, or school district; provided, however, the State shall withhold any such payment until it has received the report required pursuant to subsection (b) of this section. The savings offset under this subsection shall be allocated as follows:

(1) One-third of the savings shall be allocated to support the normal contribution for teachers' retirement under 16 V.S.A. § 1944(c)(2).

(2) One-third of the savings shall be allocated to the General Fund.

(3) One-third of the savings shall be allocated to reduce residential and nonresidential property tax rates.

* * * Effective Dates * * *

Sec. 14. EFFECTIVE DATES

(a) This section and Secs. 7–13 shall take effect on passage and shall apply to negotiations for collective bargaining agreements that are entered into after the effective date of this act.

(b) The remaining sections of this act shall take effect on July 1, 2017 and apply to fiscal year 2018 and after.

Thereupon, pending the question, Shall the Senate proposal of amendment be amended as proposed by Senator Degree?, Senator Baruth and Balint moved to substitute the proposal of amendment of Senator Degree as follows:

By adding a fifth proposal of amendment by striking out Sec. 7 in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

* * * Health Care Costs * * *

Sec. 7. HEALTH CARE COST K–12 EDUCATION WORKING GROUP

(a) Creation. There is created the Health Care Cost K–12 Education Working Group (Working Group) to consider and make recommendations on how to achieve maximum savings for negotiated teacher health care benefits in the public kindergarten through grade 12 educational system.

(b) Membership. The Working Group shall be composed of the following three members:

(1) the Executive Director of the Vermont-NEA or designee;

(2) the Executive Director of the School Boards' Association, or designee; and

(3) the Executive Director of the Vermont Superintendents Association or designee.

(c) Report. On or before November 15, 2017, the Working Group shall submit a written report to the House and Senate Committees on Education and on Appropriations, the House Committee on Ways and Means, and the Senate Committee on Finance with its findings and any recommendations.

And by renumbering the remaining proposals to be numerically correct.

Thereupon, the question, Shall the proposal of amendment of Senator Degree be substituted as proposed by Senator Baruth and Balint was agreed to on a roll call, Yeas 19, Nays 10.

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, Bray, Brooks, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, McCormack, Nitka, Pearson, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Branagan, Collamore, Degree, Flory, Mazza, Mullin, Rodgers, Starr, Westman.

The Senator absent and not voting was: Champion.

Thereupon, the question, Shall the Senate proposal of amendment be amended as proposed by Senator Degree, as substituted by Senator Baruth and Balint was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment on a roll call, Yeas 20, Nays 9.

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, Bray, Brooks, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, McCormack, Nitka, Pearson, Rodgers, Sears, Sirotkin, Starr, White.

Those Senators who voted in the negative were: Benning, Branagan, Collamore, Degree, Flory, Mazza, Mullin, Pollina, Westman.

The Senator absent and not voting was: Champion.

Bill Passed in Concurrence with Proposal of Amendment

H. 515.

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

An act relating to Executive Branch and Judiciary fees.

Rules Suspended; Bills Messaged

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

H. 509, H. 515.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Bombardier, Janette of Colchester - Member, Vermont State Colleges Board of Trustees - March 1, 2017, to February 28, 2021.

Was confirmed by the Senate.

The nomination of

Carroll, John of Norwich - Member, State Board of Education - March 1, 2017, to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Courtney, Elizabeth of Montpelier - Member, Natural Resources Board - September 12, 2016, to January 31, 2020.

Was confirmed by the Senate.

The nomination of

Illick, Martha of Charlotte - Member, Natural Resources Board - July 1, 2016, to January 31, 2020.

Was confirmed by the Senate.

The nomination of

O'Keefe, John of Manchester - Member, State Board of Education - March 1, 2017, to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Guy, Sam of Morrisville - Member, Liquor Control Board - February 1, 2017, to January 31, 2022.

Was confirmed by the Senate.

The nomination of

Wadhams, Emily of Burlington - Member, Vermont Housing and Conservation Board - February 1, 2017, to January 31, 2020.

Was confirmed by the Senate.

The nomination of

Popowski, Susan of Northfield - Member, Vermont State Lottery Commission - March 23, 2017, to February 28, 2018.

Was confirmed by the Senate.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Committees of Conference Appointed

S. 127.

An act relating to miscellaneous changes to laws related to vehicles and vessels.

Was taken up. Pursuant to the request of the Senate, the President announced the appointment of

Senator Mazza
Senator Flory
Senator Degree

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

H. 518.

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.

Third Readings Ordered**H. 327.**

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

An act relating to the charter of the Northeast Kingdom Solid Waste Management District.

Reported that the bill ought to pass in concurrence.

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

H. 356.

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

An act relating to approval of amendments to the charter of the Town of Berlin.

Reported that the bill ought to pass in concurrence.

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

H. 520.

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

An act relating to approval of amendments to the charter of the Town of Stowe.

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. 512.**

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

An act relating to the procedure for conducting recounts.

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:

* * * Primary and General Election Recounts * * *

Sec. 1. 17 V.S.A. chapter 51, subchapter 9 is amended to read:

Subchapter 9. Recounts and Contest of Elections

§ 2601. ~~RECOUNTS~~ RECOUNT THRESHOLD

(a)(1) In an election for statewide office, county office, or State Senator, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is ~~less than~~ two percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

~~(b)(2)~~ In an election for ~~all other offices~~ State Representative, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is ~~less than~~ five percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

(b) In the case of a recount for a local election, the threshold and procedures for conducting the recount shall be as provided in chapter 55, subchapter 3 of this title.

§ 2602. PETITIONS FOR RECOUNTS; SETTING DATE OF RECOUNT

~~(a) In the case of recounts for local elections and recounts for the office of justice of the peace, the procedures for conducting the recount shall be as provided in subchapter 3 of chapter 55 of this title. [Repealed.]~~

(b) In the case of recounts ~~other than specified~~ described in subsection 2601(a) of this ~~section~~ subchapter, the following procedure shall apply.

(1) A petition for a recount shall be filed within seven calendar days after the election.

(2) The petition shall be filed with:

(A) the Civil Division of the Superior Court, Washington County, in the case of candidates for State or congressional office, or for a presidential election; ~~the petition shall be filed with or~~

(B) the Superior Court in any county in which votes were cast for the office to be recounted, in the case of any other office.

(3) The petition shall be supported, if possible, by a certified copy of the certificate of election prepared by the canvassing committee, verifying the total number of votes cast and the number of votes cast for each candidate.

(c)(1) The Superior Court shall:

(A) set the date of the recount to be:

(i) five business days after the Court receives the petition ~~for~~, in the case of a primary recount; or

(ii) 10 business days after the Court receives the petition, in the case of a general election recount; and shall

(B) notify all candidates of ~~that~~ the recount date no later than the next business day after the petition is received.

(2)(A) The Superior Court shall forward a copy of the petition to the county clerk.

(B) The Court shall order the town clerk or clerks having custody of the ballots to be recounted or their designees to transport ~~them~~ the ballots and a copy of the entrance checklist from the election to be recounted to the county clerks of their respective counties before the day set for the recount.

(C) ~~County clerks~~ The county clerk shall store all ballots, still in their sealed containers, in ~~their vaults~~ his or her vault until the day of the recount.

(d)-(h) [Repealed.]

(i) ~~The Secretary of State shall bear the costs of recounts covered under this chapter.~~ [Repealed.]

§ 2602a. APPOINTMENT OF RECOUNT COMMITTEE; ~~SETTING DATE OF RECOUNT~~

(a)(1) Upon receipt of a petition, the county clerk shall notify ~~the chairs of the relevant county political committees that a petition has been filed requesting a recount and advising them to submit immediately a list of nominees for individuals to serve on a recount committee.~~

(2) ~~In the case of a recount in a primary election, the county clerk shall notify all candidates for the office which~~ that is the subject of the recount, advising them to each submit immediately a list of a minimum of 10 nominees for individuals to serve on a recount committee.

(3) ~~If a candidate for an office which is the subject of a recount is from a party which does not have a county committee, the county clerk shall send a copy of the notice to the State committee of the party advising them to submit immediately a list of nominees for individuals to serve on a recount committee.~~

(4) ~~If a candidate for an office which is the subject of a recount is independent, the county clerk shall send that candidate a copy of the notice and request him or her to submit immediately a similar list of nominees for individuals to serve on a recount committee.~~

~~(5)(2)(A)~~ If a list of nominees is not delivered to the county clerk within two business days, the clerk shall notify the appropriate candidates that they have 24 hours to submit lists of nominees for individuals to serve on the recount committee.

(B) If the petitioning candidate fails to submit a complete list of nominees by this deadline, the recount shall not move forward.

(C) If any other candidate fails to submit a complete list of nominees, the county clerk shall request additional nominees from the other candidates.

(b)(1) The Superior Court shall make a minimum of 12 appointments to the recount committee from among those nominated under this section, with the number of appointments based on the number of votes to be recounted and a goal of completing the recount within one day.

(2) In making these appointments, the court shall appoint an equal number of persons from each party and from those persons representing an independent each candidate, to the extent practicable.

§ 2602b. ASSIGNMENT OF DUTIES; RECOUNT MATERIALS

(a)(1) The county clerk, with the support of the Secretary of State, shall supervise the recount and may appoint a sufficient number of impartial assistants to perform appropriate tasks which have not been assigned to recount committee members. The county clerk shall recruit town clerks or their designees to serve as impartial assistants to the county clerk for operating the vote tabulators; and shall consult with the Secretary of State to identify any vote tabulators to be used.

(2) The county clerk shall store all ballots, still in their sealed containers, in his or her vault until the day of the recount may appoint a sufficient number of additional impartial assistants to perform tasks that have not been assigned to recount committee members.

(3) On each day of the recount, the town clerk of any town subject to the recount shall be available to the county clerk in person or by telephone to answer any questions the county clerk may have regarding that town's election.

(b)(1) The county clerk shall assign committee members to the following teams of at least four persons, consisting of one caller and one observer, representing different candidates, and one tally person and one double-check person, representing different candidates;

(A) Counting teams comprising at least four persons each, consisting of an equal number of persons representing each candidate, to the extent possible;

(B) One vote tabulator team, comprising two persons, each of whom represents a different candidate; and

(C) One clerk observer team, comprising two persons, one of whom is from the list of the petitioning candidate and one of whom, if possible, is from the list of the winning candidate who received the lowest number of votes.

(2) Any additional team members shall be additional observers and double-check persons, who shall be assigned to ensure that each candidate has one person assigned as either a caller or an observer and one person assigned as either a tally person or a double-check person. One team shall be designated as the clerk observer team, which shall perform only the functions established under this subchapter for that team remain unassigned and shall be used as necessary on the day of the recount.

(c) The recount committee shall use Secretary of State shall provide to the recount committee:

(1) fresh seals, manila tags, tally sheets, double-check sheets, summary sheets for each polling place town, master lists for the entire election to be recounted, and other appropriate material provided deemed appropriate by the Secretary of State; and

(2) the official return of votes for each town subject to the recount.

§ 2602c. PREPARATION FOR RECOUNT; GENERAL RULES

(a) Recount area; preserving order.

(1)(A) The county clerk shall designate an area within which the recount shall take place.

(B) Persons who are not committee members or who have not been designated as impartial assistants by the county clerk shall be permitted to view the recount in progress, but shall not be permitted within the recount area.

(2) The county clerk shall preserve order. If a person, after notice, is persistently disorderly and refuses to withdraw from the premises, the county clerk may cause the person to be removed from the premises.

(b) Preliminary requirements. Before the recount begins, the and any containers are opened:

(1) Explaining procedures. The county clerk shall explain the recount procedures which that are to be followed and shall answer questions relating to such procedures. The county clerk shall use volunteer town clerks to operate and instruct on the use of vote tabulators.

(2) Blank ballots; vote tabulator test.

(A) The county clerk shall obtain blank ballots from the town clerks of the towns subject to the recount. These blank ballots shall be used as test ballots to perform the vote tabulator test described in this subdivision (2).

(B)(i) The vote tabulator team shall perform a test of the vote tabulators that will be used by marking and feeding into each tabulator a minimum of 10 test ballots. The test ballots shall be marked with various votes for each candidate for the office subject to the recount.

(ii) If more than one memory card is to be used, such a test shall be performed for each memory card.

(C) If a vote tabulator does not tabulate these votes accurately, it shall not be used.

(D) Once the test is completed, these ballots and the tabulator tape containing the results of the test shall be sealed in an envelope that shall be dated and marked "TEST BALLOTS—DO NOT COUNT." This envelope shall then be kept separate from the rest of the containers.

~~(b)~~(c) Tables. Each team shall have a separate table and the county clerk shall have a separate table, and all of these tables shall be spaced apart.

(d) Separating containers, polling places, and towns. Each recount team shall:

(1) recount the contents of one container before opening another container at its table,~~shall;~~

(2) recount the contents of all the containers relating to one polling place before moving to those of another polling place;~~;~~ and ~~shall~~

(3) complete the recount for one town before moving to material relating to another town.

~~(e)~~(e) Recording containers. For each ~~polling place town~~, the number of containers shall be counted and recorded on the ~~master list~~ summary sheet for that town.

~~(d)~~(f) Inspecting containers and seals.

(1) Containers. Before opening, each container shall be inspected, and if no tag is present, replacement manila tags shall be affixed, specifying date of election and name of town and polling place.

(2) Seals.

(A) Likewise, each Each seal shall be ~~examined~~ inspected to see if it is intact, and the county clerk shall attach to any ~~bag container~~ with a defective seal a tag stating that the seal was defective and containing the information ~~which that~~ that was contained on the defective seal.

(B) If a seal number does not match the seal number reported by the town clerk on the official return of votes, the county clerk shall contact the town clerk to request an explanation for that difference. The county clerk shall record any explanation on the summary sheet for that town.

~~(e)(g)~~ Uncounted containers. Uncounted containers shall be kept in one part of the room and moved to the other side as they are counted; ~~each team shall have a separate table and the county clerk shall have a separate table, all of which tables shall be spaced apart.~~

~~(f)(h)~~ Checklist container. If there is more than one container from a polling place, the county clerk shall open first the container ~~which~~ that is identified as containing the checklist, if applicable.

(i) Opening containers. ~~Upon opening the first container in the presence of the clerk observer team, the~~ The county clerk shall empty the contents of each container onto the clerk's his or her table in the presence of the clerk observer team.

(j) Materials not to be distributed. The county clerk shall ensure that teams are not given, and the teams shall not count:

(1) ballots marked defective or contained in a defective ballot envelope;

(2) unused ballots, ~~early or absentee ballots which arrived after the close of polls,~~ that were not distributed to voters; or

(3) ballots ~~spoiled~~ returned by voters and turned in by voters requesting fresh who requested replacement ballots, or ballots contained in a replaced ballot envelope.

(k) Recording defective ballots. In the presence of the clerk observer team, the county clerk shall mark the number of defective ballots from the official return of votes for each town on the summary sheet for that town.

§ 2602d. REVIEW OF OFFICIAL RETURN OF VOTES; EXAMINATION OF ~~CHECKLISTS~~ CHECKLIST

(a)(1) The county clerk shall review the official return of votes for each town, record on the summary sheet for each town the number of ballots counted and the number of voters checked off the checklist on the town's return, and if those two numbers are the same, the checklist for that town shall not be examined.

(2) If those two numbers for a town are not the same, the checklist may be examined in accordance with the following provisions of this section, if requested by one of the candidates subject to the recount.

~~(b)~~ The checklist from the first ~~bag container~~ shall be assigned to a team. ~~The caller and observer~~ Two persons who represent different candidates, each acting independently, shall examine the checklist and determine how many voters voted at the polling place, repeating the process until they agree on a number or until they agree to disagree on a number.

~~(b)(c)~~ Then the checklist shall be examined by ~~the tally person and the double-check person~~ the remaining members of the team, repeating the process until they agree on a number or they agree to disagree on the number.

~~(e)(d)~~ The results obtained from the two subgroups will be compared and if they do not match, the process shall be repeated until there is agreement among all the members of the team or until team members agree to disagree.

~~(d)(e)~~ The number finally determined by a majority of team members shall be submitted to the county clerk in the presence of the clerk observer team, together with an indication of the nature and extent of ~~the~~ any disagreement.

~~(f) If one or more team members do not agree with the number submitted,~~ The county clerk shall note on the master list the fact summary sheet for the town the number finally determined, together with a note indicating that the number of people appearing as having voted on a specified the checklist was subject to dispute, if one or more team members did not agree with the number submitted.

§ 2602e. SORTING BALLOTS; BALLOT REVIEW; RECOUNT OF
REMOVED BALLOTS BY HAND

(a) Sorting ballots.

(1) While the checklist is being examined, if applicable under subsection 2602d of this subchapter, after emptying a container onto his or her table, the county clerk shall separate ballots from the container into a number of batches equal to the number of counting teams, with each batch being of approximately equal size.

(2) Each counting team shall take a batch of ballots from the county clerk's table to the counting team's table.

(3) Two persons who represent different candidates on a counting team shall sort that batch into stacks of 50 ballots, and the remaining members of the team shall recount each stack to ensure that there are 50 ballots in it.

(4)(A) The counting teams shall combine any ballots not placed into a stack of 50, and one of those counting teams shall separate those combined ballots into stacks of 50 and recount them in accordance with subdivision (3) of this subsection.

(B) For any final stack that contains fewer than 50 ballots, the county clerk shall affix to the top of that stack a note indicating how many ballots are contained in it.

(b) Ballot review and removal.

(1)(A) For each stack, a counting team shall review each ballot within the stack and remove from that stack each ballot upon which, for the office in question, the voter recorded his or her vote or votes in that race in any manner other than completely filling in the oval to the right of a preprinted candidate's name.

(B) Each counting team shall also remove any plain paper or damaged ballots.

(2) A ballot shall be removed only if at least two members of the counting team agree to its removal.

(3) A ballot without markings for the office in question shall not be removed.

(4) A ballot that is not removed upon this first review shall not be reviewed again.

(c) Delivery of remaining ballots.

(1) Each counting team shall then attach to that stack a note indicating the number of ballots remaining in the stack.

(2) The county clerk shall deliver those remaining ballots to the vote tabulator team.

(d) Hand count of removed ballots; questionable votes.

(1) Each counting team shall then separate the removed ballots into stacks of 50 in accordance with the process set forth in subdivision (a)(3) of this section.

(2) The counting team shall then hand count the votes for the office in question on the removed ballots, and mark the results on a tally sheet for each stack of 50 removed ballots and any remaining stack with less than 50.

(3)(A) This hand count shall be in accordance with the rules for counting ballots set forth in section 2587 of this chapter, except that if two persons on the counting team do not agree on how to count a vote, the ballot shall be set aside as containing a questionable vote.

(B)(i) For any questionable vote, a copy of the ballot shall be made, and this copy shall be clearly marked on its face identifying it as a copy. Once the recount of a container is completed, any such copies shall be placed on the top of the other ballots and shall remain together with the other ballots.

(ii) Each original ballot with a questionable vote shall be attached to a note that identifies it by town, county, polling place, and container seal number. The originals of these ballots with questionable votes shall be clipped to the summary sheet for that town, along with a copy of the official return of votes, and submitted to the court for a final decision.

(iii) The county clerk shall record the number of ballots containing questionable votes to be submitted to the court on the summary sheet for the town.

(C) At the end of the hand count for a container, two persons from each counting team who represent different candidates shall deliver any tally sheets from their table to the county clerk in the presence of the clerk observer team.

(D) The county clerk, in the presence of the clerk observer team, shall record the totals from each tally sheet onto the summary sheet for the town.

(e) This process shall be completed for as many containers as there are for each town.

§ 2602f. RECOUNT OF REMAINING BALLOTS BY VOTE TABULATOR

(a) The vote tabulator team shall operate any vote tabulator used in the recount, with the assistance of the recruited town clerks or designees.

(b) The vote tabulator memory card or cards shall be programmed to read only the votes for the election that is the subject of the recount.

~~(c)(1) ~~Vote tabulator readable~~~~ At the same time as any removed ballots are being hand counted, the vote tabulator team shall take any ballots from each container ~~shall be fed~~ delivered to them, and feed them through a vote tabulator by one team until all vote tabulator readable ballots from the container have been entered. For ballots unable to be read by a vote tabulator, such as damaged or plain paper ballots, a second team shall collect these ballots from the pile and transfer the voter's choices on those ballots to blank ballots provided by the Secretary of State. After all of the vote tabulator-readable ballots have been fed through the vote tabulator, the first team shall feed through the vote tabulator any transfer ballots created by the second team.

~~(2) The recount teams shall switch roles for each subsequent container of ballots of a polling place that are to be fed through the vote tabulator, if there is more than one container per polling place. The vote tabulator team shall attempt to feed ballots into the vote tabulator in the same direction.~~

(3)(A) If the tabulator refuses a ballot, the vote tabulator team shall announce that occurrence and whether the ballot was counted, and may override that refusal.

(B) If the tabulator continues to refuse the ballot, the vote tabulator team shall announce that occurrence and return it to a counting team for hand counting.

(4) This process shall be used until all ballots from a ~~polling place~~ container have been tabulated by a vote tabulator or otherwise returned to a counting team for hand counting.

~~(b)~~(d)(1) This process shall be repeated until all ballots from a town have been fed through a vote tabulator.

(2) If there is more than one container for a town, the tabulator tape shall not be printed until ballots from all containers for that town have been tabulated.

(e)(1) After all ballots from a ~~polling place~~ town have been tabulated by a vote tabulator, ~~a recount team~~ the vote tabulator team shall print the tabulator tape containing the unofficial results ~~and document those results on a tally sheet for that town, and deliver that tabulator tape to the county clerk in the presence of the clerk observer team.~~

(2) The county clerk shall then record the totals from the tabulator tape onto the summary sheet for the town in the same manner that he or she recorded the individual tally sheet totals from the hand-counted ballots. ~~Another recount team shall then open the tabulator's ballot box and remove all ballots. The ballots shall then be divided among the recount teams to be examined to find write-in names and markings of voter intent that were not vote tabulator readable as outlined in the Secretary of State's vote tabulator guide and most recent elections procedures manual. A caller, tally person, and double-check person shall be used to examine the ballots removed from the ballot box. If the caller and the observer or observers do not agree on how a ballot should be counted, the entire team shall review the ballot and if all members agree, it shall be counted that way.~~

~~(e) If one person does not agree, that ballot shall be set aside as a questioned ballot and a copy shall be made, which copy shall be clearly marked on its face identifying it as a copy. Any copies shall be placed on the top of the other ballots and shall remain together with the other ballots. Each original ballot deemed questionable shall be attached to a note which identifies it by town, county, polling place, and bag seal number. The originals of these questionable ballots shall be clipped to the summary sheet for that polling place and returned to the court for a final decision.~~

~~(d) After the court has rendered a final decision on a given questionable ballot, it shall be returned to the county clerk who shall keep it in a sealed container for a period of two years.~~

~~(e) Write in votes for preprinted candidates shall be counted as votes for that candidate.~~

~~(f) If the tally persons do not agree on the number of votes for a candidate on ballots not able to be read by the vote tabulator, the ballots shall be retallied until they do agree. Then the team shall notify the clerk that it has completed its recount.~~

§ 2602h. COMPLETING THE TALLY

(a) The county clerk shall return all ballots to their container, seal the container, record the seal number on the summary sheet, and write "recounted" and specify the date of the recount on the tag.

(b) After In the presence of the clerk observer team, the county clerk shall add together the hand count and vote tabulator totals for a polling place have been listed each town, as recorded on the tally sheets and vote tabulator tape submitted to him or her, the county clerk shall add them up in the presence of the clerk observer team, and record those totals on the summary sheet for that town, and affix his or her seal to that summary sheet.

(c)(1) The county clerk shall compare the number of ballots recounted for that town with the number of voters who voted at that ballots counted at the polling place, according to the number obtained from the team that examined the certified checklist town as reported on the official return of votes, and with the number of voters who voted at that town according to the checklist examination, as applicable under section 2602d of this subchapter and recorded by the county clerk on the summary sheet in accordance with that section.

(2) If these numbers differ, the county clerk shall note the amount of the difference on the summary sheets for that polling place town.

(d) If there is more than one town subject to the recount:

(1) this process shall be repeated for each town; and

(2) once all towns have been recounted, the county clerk shall add together the totals from each town and record the total for all towns on a master summary sheet and affix his or her seal to that sheet.

~~(b) The county clerk shall return all ballots to the container, seal it, record the seal number on the summary sheet, write "recounted" and specify the date of the recount on the tag, and move it to the other side of the room, making sure that there is never more than one bag open at any one time.~~

~~(c) This procedure shall be repeated for each container, until the results from a polling place have been recounted, and then it shall be repeated until the results from all polling places in a town have been recounted, and then until the results from all towns have been recounted.~~

~~(d) The county clerk shall add the totals on each summary sheet, affix the clerk's seal, and~~

(e) The county clerk shall send the summary sheets for all polling places towns together with the any master list summary sheet, the ballots marked defective or contained in a defective ballot envelope, and any questionable original ballots containing questionable votes to the court by certified mail, return and obtain a receipt requested, for that delivery or shall certify the results to the judge.

§ 2602i. COSTS

(a) Recount committee members and assistants designated by the county clerk shall be paid by the State at the same per diem and mileage rates and according to the same procedures by which jurors are paid.

(b)(1) These and other necessary expenses, as approved by the court, shall be paid by the State through the Court Administrator's Office.

(2) The Secretary of State shall bear the costs of recounts conducted under this subchapter and shall reimburse the Court Administrator's Office.

§ 2602j. ~~OTHER RULES FOR CONDUCTING THE RECOUNT COURT HEARING AND JUDGMENT~~

~~(a) The county clerk shall preserve order. If a person, after notice, is persistently disorderly and refuses to withdraw from the premises, the county clerk may cause the person to be removed from the premises. [Repealed.]~~

~~(b) The county clerk shall designate an area within which the recount shall take place. Persons who are not committee members shall be permitted to view a recount in progress, but persons not authorized by the county clerk shall not be permitted within the area designated by the county clerk. [Repealed.]~~

(c) Candidates and their attorneys shall be given the opportunity to present evidence to the court relating to the conduct of the recount, how to count questionable votes, and the marking of any ballot as defective in accordance with section 2547 of this title.

(d) On the day of the hearing, the town clerk of any town subject to the recount shall be available in person or by telephone to answer any questions regarding the town's election.

(e) If the court determines that any violations of recount procedures have occurred and that they may have affected the outcome of the recount, a new recount shall be ordered.

(f) After such hearings or arguments as may be indicated under the circumstances and after it has made a final decision on any questionable votes, the Superior Court, within five working days, shall:

(1) issue a judgment, which shall supersede any certificate of election previously issued;

(2) send a certified copy of the judgment to the Secretary of State; and shall

(3) return to the county clerk any ballots containing questionable ballots which votes and defective ballots that had been forwarded to the court.

§ 2602k. ~~AFTER THE RECOUNT TIES~~

(a) If the recount results in a tie, the court shall order a ~~recessed~~ runoff election to be held, within three weeks of the recount, on a date set by the court.

(b) The only candidates who shall appear on the ballot at the ~~recessed~~ runoff election shall be those who tied in the previous election.

(c) The ~~recessed~~ runoff election shall be considered a separate election for the purpose of voter registration under chapter 43 of this title.

(d) If the recount confirms a tie as to any public question, ~~no recessed a~~ runoff election shall not be held, and the question shall be certified not to have passed.

(e) Warnings for a ~~recessed~~ runoff election shall be posted as required by subchapter 5 of this chapter, except that the warnings shall be posted not less than 10 days before the ~~recessed~~ runoff election.

(f) The conduct of a ~~recessed~~ runoff election shall be as provided in this chapter for general elections.

~~(b) After the recount, the county clerk shall seal the ballots and other materials back in the containers and store them in the county clerk's vault until returned to the towns. The county clerk shall return all ballots to the respective town clerks after issuance of the court's judgment, together with a copy of the judgment. The respective town clerks or their designees shall transport the ballots to the towns from which they came.~~

~~(e) The court shall send a certified copy of the judgment to the Secretary of State.~~

§ 2602m. STORAGE AND RETURN OF ELECTION MATERIALS

(a)(1) After the recount, the county clerk shall store the sealed containers and any other recount materials in the county clerk's vault until returned to the towns.

(2) The county clerk shall release all containers to the respective town clerks after issuance of the court's judgment, together with a copy of the judgment.

(3) The respective town clerks or their designees shall transport the containers to the towns from which they came.

(b) Upon receiving from the court any ballots containing questionable votes and defective ballots, the county clerk shall keep them in a sealed container for a period of two years.

* * *

* * * Definitions * * *

Sec. 2. 17 V.S.A. § 2103 is amended to read:

§ 2103. DEFINITIONS

As used in this title, unless the context or a specific definition requires a different reading:

* * *

(10) "County officer" means judge of Probate, assistant judge of the Superior Court, State's Attorney, sheriff, and high bailiff, ~~and justice of the peace.~~

* * *

(18)(A) "Local election" means any election ~~which~~ that deals with the selection of persons to fill public office or the settling of public questions solely within a single municipality.

(B) "Local election" also means an election to settle a public question in several municipalities, in which the municipalities must unanimously concur if the question is to be approved.

(C) The election of a ~~representative~~ Representative to the General Assembly is not a "local election."

* * *

* * * Registration of Voters * * *

Sec. 3. 17 V.S.A. § 2141 is amended to read:

§ 2141. POSTING OF CHECKLIST

(a) At least 30 days before any local, primary, or general election, the town clerk shall cause copies of the most recent checklist of the persons ~~qualified~~ registered to vote to be posted in two or more public places in the municipality in addition to being posted at the town clerk's office; however, in a municipality having a population of less than 5,000 ~~qualified~~ registered voters, only one checklist in addition to the one posted in the town clerk's office need be posted.

* * *

Sec. 4. 17 V.S.A. § 2154 is amended to read:

§ 2154. STATEWIDE VOTER CHECKLIST

* * *

(b) A registered voter's month and day of birth, driver's license or nondriver identification number, e-mail address, and the last four digits of ~~the applicant's~~ his or her Social Security number shall be kept confidential and are exempt from public copying and inspection under the Public Records Act.

(c) Any person wishing to obtain a copy of all of the statewide voter checklist must swear or affirm, under penalty of perjury pursuant to 13 V.S.A. chapter 65, that the person will not use the checklist for commercial purposes. The affirmation shall be filed with the Secretary of State.

* * *

~~(e)(d)~~ ~~No~~ An elections official ~~may~~ shall not access the portion of the statewide voter checklist that is exempt from public inspection pursuant to 1 V.S.A. § 317(c)(31), except for elections purposes.

Sec. 5. 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~~ driver's license or nondriver identification number, e-mail address, and the last four digits of ~~the applicant's~~ his or her 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.

* * *

* * * Political Parties * * *

Sec. 6. 17 V.S.A. § 2303 is amended to read:

§ 2303. TOWN CHAIR TO GIVE NOTICE

(a) The town chair or, if unavailable or if the records of the Secretary of State show there is no chair, any three voters of the town shall arrange to hold a caucus on the day designated by the State chair, in some public place within the town; and shall set the hour of the caucus.

(b)(1) At least five days before the day of the caucus, the town chair shall post a notice of the date, purpose, time, and place of the caucus in the town clerk's office and in at least one other public place in town.

(2) In towns of 3,000 or more population, he or she shall also publish the notice:

(A) in a newspaper having general circulation in the town; or

(B) in a nonpartisan electronic news media website that specializes in news of the State or the community.

(c) If three voters arrange to call the caucus, the voters shall designate one ~~of their number~~ person among them to perform the duties prescribed ~~above~~ in subsection (b) of this section for the town chair.

* * * Primary Elections * * *

Sec. 7. 17 V.S.A. § 2353 is amended to read:

§ 2353. PETITIONS TO PLACE NAMES ON BALLOT

(a) The name of any person shall be printed upon the primary ballot as a candidate for nomination by any major political party for any office indicated, if petitions containing the requisite number of signatures made by ~~legal~~ registered voters, in substantially the following form, are filed with the proper official, together with the person's written consent to having his or her name printed on the ballot:

I join in a petition to place on the primary ballot of the party the name of, whose residence is in the (city), (town) of in the county of, for the office of to be voted for on Tuesday, the day of August, 20; and I certify that I am at the present time a registered voter and am qualified to vote for a candidate for this office.

(b)(1) A person's name shall not be listed as a candidate on the primary ballot of more than one party in the same election.

(2) A person shall file a separate petition for each office for which he or she seeks to be a candidate.

Sec. 8. 17 V.S.A. § 2354 is amended to read:

§ 2354. SIGNING PETITIONS

(a) Any number of voters may sign the same petition.

(b)(1) A voter's signature shall not be valid unless at the time he or she signs, the voter is registered and qualified to vote for the candidate whose petition he or she signs.

(2) Each voter shall indicate his or her town of residence next to his or her signature.

(c) The signature of a voter on a candidate's petition does not necessarily indicate that the voter supports the candidate. A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case he or she may sign as many petitions as there are nominations to be made for the same office.

(d) A petition shall contain the name of only one candidate.

Sec. 9. 17 V.S.A. § 2356 is amended to read:

§ 2356. TIME FOR FILING PETITIONS ~~AND STATEMENTS OF~~
NOMINATION

(a) Primary petitions for major party candidates ~~and statements of nomination for minor party candidates~~ shall be filed ~~no sooner~~ not earlier than the fourth Monday in April and not later than 5:00 p.m. on the fourth Thursday after the first Monday in May preceding the primary election prescribed by section 2351 of this chapter, and not later than 5:00 p.m. of the 62nd day prior to the day of a special primary election.

(b) A petition or statement of nomination shall apply only to the election cycle in which the petition or statement of nomination is filed.

Sec. 10. 17 V.S.A. § 2361 is amended to read:

§ 2361. CONSENT OF CANDIDATE

(a) A candidate for whom petitions containing sufficient valid signatures have been filed shall file with the official with whom the petitions were filed a consent to the printing of the candidate's name on the ballot. The ~~secretary of state~~ Secretary of State shall prepare and furnish forms for this purpose.

(b)(1) The consent shall set forth the name of the candidate, as the candidate wishes to have it printed on the ballot, the candidate's town of residence, and correct mailing address.

(2) If a candidate wishes to use a nickname, the format on the ballot shall be the candidate's first name, the nickname set off in quotations, and the candidate's last name.

(3) Professional titles such as "Dr.," "Esq.," or "CPA" shall not be used as part of a candidate's name on the ballot.

(c) The consent shall be filed on or before the day petitions are due. Unless a consent is filed, the candidate's name shall not be printed on the primary ballot.

Sec. 11. 17 V.S.A. § 2362 is amended to read:

§ 2362. PRIMARY BALLOTS

(a) ~~The ballots shall be prepared~~ A separate ballot for each major political party shall be printed and furnished to the towns by the Secretary of State and shall contain the names of all candidates for nomination by that party at the primary. Ballots shall be printed on index stock and configured to be readable by vote tabulators. ~~A separate ballot for each major political party~~ Ballots shall be printed in substantially the following form:

OFFICIAL VERMONT PRIMARY ELECTION BALLOT

VOTE ON ONE PARTY BALLOT ONLY AND PLACE IN BALLOT
BOX OR VOTE TABULATOR

ALL OTHER PARTY BALLOTS MUST BE PLACED IN UNVOTED
BALLOT BOX

[MAJOR POLITICAL PARTY NAME]

Instructions to voters: Use black pen or pencil to fill in the oval. To vote for a ~~candidate~~ person whose name is printed on the ballot, fill in the oval ~~at~~ to the right of ~~that person's name~~ the name of that person. To vote for a ~~candidate~~ person whose name is not printed on the ballot, write ~~the person's~~ or stick his or her name on ~~in~~ in the blank line ~~in the appropriate block and~~ space provided ~~and~~ and fill in the oval to the right of ~~that blank line~~ the write-in space. Do not vote for more candidates than the "Vote for Not More Than" number for an office. If you make a mistake, tear, or deface the ballot, return it to an election official and obtain another ballot. Do not erase. When there are two or more persons to be elected to one office, you may vote for any number of candidates up to and including the maximum number.

* * *

Sec. 12. 17 V.S.A. § 2363 is amended to read:

§ 2363. ~~SEPARATE PARTY BALLOTS~~ VOTER'S CHOICE OF PARTY

(a) ~~The names of all candidates of a party shall be printed upon one ballot. Each section shall bear in print larger than any other print on the ballot the words VOTE IN ONE PARTY ONLY OR YOUR BALLOT WILL BE VOID in a prominent place on the ballot. The A~~ voter shall vote for the candidates of one party only. A person voting at the primary shall not be required to indicate his or her party choice to any election official.

(b) [Repealed.]

Sec. 13. 17 V.S.A. § 2369 is amended to read:

§ 2369. DETERMINING WINNER; TIE VOTES

(a) A person who receives a plurality of all the votes cast by a party in a primary shall be a candidate of that party for the office designated on the ballot.

(b)(1) If, after the period for requesting a recount under section 2602 of this title has expired, no candidate has requested a recount and two or more candidates of the same party are tied for the same office, the choice among those tied shall be determined upon five days' notice and not later than 10 days following the primary election by the committee of that party, which shall meet to nominate a candidate from among the tied candidates. The committee that nominates a candidate shall be as follows:

~~(1)(A)~~ the State committee of a party for a State or congressional office;

~~(2)(B)~~ the senatorial district committee for State Senate;

~~(3)(C)~~ the county committee for county office; or

~~(4)(D)~~ the representative district committee for a Representative to the General Assembly.

~~(e)(2)~~ The committee chair shall certify the candidate nomination for the general election to the Secretary of State within 48 hours of the nomination.

* * * Nominations by Party Committee * * *

Sec. 14. 17 V.S.A. § 2381 is amended to read:

§ 2381. APPLICABILITY OF SUBCHAPTER

(a) A candidate may also be nominated and have the candidate's name printed on the general election ballot in accordance with the provisions set forth in this subchapter, in the following instances:

(1) In case of a vacancy on the general election ballot occasioned by death, removal, or withdrawal of a candidate, or the failure of a major political party to nominate a candidate by primary;

(2) In case a minor political party desires to nominate a candidate for any office for which major political parties nominate candidates by primary or for the offices of President and Vice President of the United States;

(3) In case of nomination for the office of justice of the peace, in the event that such nomination has not already been made by caucus as provided in section 2413 of this chapter.

* * *

Sec. 15. 17 V.S.A. § 2382 is amended to read:

§ 2382. WHICH COMMITTEE TO NOMINATE

Nominations of party candidates pursuant to this subchapter shall be made by the following political committee of the party:

(1) By the ~~state~~ State committee in the case of ~~state~~ President and Vice President of the United States or State or congressional officers;

* * *

Sec. 16. 17 V.S.A. § 2386 is amended to read:

§ 2386. TIME FOR FILING STATEMENTS

(a) In the case of the failure of a major political party to nominate a candidate by primary, a statement shall be filed not later than 5:00 p.m. on the sixth day following the primary.

(b) In the case of the death or withdrawal of a candidate after the primary election, the party committee shall have seven days from the date of the death or withdrawal to nominate a candidate. In no event, shall a statement be filed later than 60 days prior to the general election.

(c)(1) In the case of a nomination by a minor political party, a statement shall be filed ~~as set forth in section 2356 of this chapter~~ not earlier than the fourth Monday in April and not later than 5:00 p.m. on the Thursday preceding the primary election described in section 2351 of this chapter and not later than 5:00 p.m. on the third day prior to the day of a special primary election.

(2) A statement shall apply only to the election cycle in which the statement is filed.

(d) In the case of a nomination for the office of justice of the peace, a statement shall be filed as set forth in section 2413 of this chapter.

* * * Independent Candidate Nominations * * *

Sec. 17. 17 V.S.A. § 2402 is amended to read:

§ 2402. REQUISITES OF STATEMENT

(a) A statement of nomination shall contain:

(1) The name of the office for which the nomination is made.

(2) The candidate's name and residence.

(3) If desired, a name, or other identification (in not more than three words) to be printed on the ballot following the candidate's name.

(4) In the case of nomination for President or Vice President of the United States, ~~the~~:

(A) The name and state of residence of each candidate for such office, together with the name, town of residence, and correct mailing address of each nominee for the office of elector.

(B)(i) The original statement of nomination shall include a certification by the town clerk of each town where the signers appear to be voters that the persons whose names appear as signers of the statement are registered voters in the town and of the total number of valid signers from the town.

(ii) Only the number of signers certified as registered voters by each town clerk on the original statement of nomination forms shall count toward the required number of signatures.

(C) The statement shall also be accompanied by a consent form from each nominee for elector. The consent form shall be similar to the consent form prescribed in section 2361 of this title.

* * *

(d)(1) A statement of nomination and a completed and signed consent form shall be filed:

(A) in the case of nomination for President or Vice President of the United States, ~~no sooner~~ not earlier than the fourth Monday in April and not later than 5:00 p.m. on the August 1 preceding the presidential general election;

(B) in the case of nomination for justice of the peace, ~~no~~ not earlier than the fourth Monday in April and not later than 5:00 p.m. on the third day following the primary election; or

(C) in the case of any other independent candidate, ~~no sooner~~ not earlier than the fourth Monday in April and not later than 5:00 p.m. on the Thursday preceding the primary election prescribed by section 2351 of this chapter, and not later than 5:00 p.m. of the third day prior to the day of a special primary election.

(2) ~~No~~ A public official receiving nominations shall not accept a petition unless a completed and signed consent form is filed at the same time.

(3) A statement of nomination shall apply only to the election cycle in which the statement of nomination is filed.

(e) The Secretary of State shall prescribe and furnish forms for a statement of nomination.

(f) In the event that an independent vice presidential candidate withdraws in accordance with section 2412 of this chapter, the presidential candidate may submit to the Secretary of State on or before the ballot printing deadline a new consent form signed by the presidential candidate and his or her new vice presidential candidate.

Sec. 18. 17 V.S.A. § 2403 is amended to read:

§ 2403. NUMBER OF CANDIDATES; PARTY NAMES

(a) A statement of nomination shall contain the name of only one candidate, except in the case of presidential and ~~vice-presidential~~ vice presidential candidates, who may be nominated by means of the same statement of nomination. A person shall not sign more than one statement of nomination for the same office.

(b)(1) The political or other name on a statement of nomination shall be substantially different from the name of any organized political party. It shall also be substantially different from the political or other name already appearing on any other statement of nomination for the same office then on file with the same officer for the same election; ~~if~~.

(2) ~~If the secretary of state~~ Secretary of State determines that it is not substantially different, the candidate named on the statement shall select a different political or other name; ~~otherwise the secretary may reject the statement of nomination~~ Secretary shall print the word "Independent" on the ballot for that candidate.

(c)(1) Except in the case of presidential and vice presidential candidates, the word "independent" may not be used as part of a party name; ~~if~~.

(2) If no party is indicated, the word "Independent" shall be printed on the ballot; and no

(3) A candidate appearing on the ballot as a candidate of a political party shall not also appear on the ballot as an "Independent."

* * * Nominations; Miscellaneous * * *

Sec. 19. 17 V.S.A. § 2412 is amended to read:

§ 2412. WITHDRAWAL OF CANDIDACY

(a)(1) A candidate who has been validly nominated by one of the methods prescribed in this chapter shall have a right to withdraw his or her candidacy up until 5:00 p.m. on the ~~third~~ tenth day following the primary by filing a written notice of withdrawal with the town clerk in the case of a candidate for justice of the peace, and with the ~~secretary of state~~ Secretary of State in the case of all other offices.

(2) The name of a candidate who has withdrawn in accordance with the provisions of this subsection shall not be printed on the ballot.

(b) After ~~that~~ the date described in subdivision (a)(1) of this section, if the candidate has filed a written notice of withdrawal, the town clerk or ~~secretary of state~~ Secretary of State may still remove the candidate's name from the ballot up until the printing deadline.

* * * Election Officials * * *

Sec. 20. 17 V.S.A. § 2455 is amended to read:

§ 2455. ~~DUTIES OF ELECTION OFFICIALS; DUTIES; POLITICAL~~
PARTY REPRESENTATION

(a) The assistant election officers, together with the presiding officer and the board of civil authority, shall constitute the election officials.

(b) Except as may be specifically provided in this title, the presiding officer shall notify each election official of the hours when he or she shall be present to work at the polls and of the duties assigned to each election official.

(c) When the provisions of this title require two or more election officials of different political parties to perform an act, that political party representation requirement shall not be required if attempts to conform to it were not successful.

* * * General Election Ballots * * *

Sec. 21. 17 V.S.A. § 2472 is amended to read:

§ 2472. CONTENTS

* * *

(b)(1) Each office to be voted upon shall be separately indicated and preceded by the word “For,” as: “For United States Senator.” Beneath the office to be voted upon shall appear the instructions: “Vote for not more than (the number of candidates to be elected).”

(2) The names of the candidates for each office shall be listed in alphabetical order by surname, followed by the candidate’s town of residence, and the party or parties by which the candidate has been nominated, or in the case of independent candidates who have not chosen some other name or identification, by the word “Independent.” The word “party” shall not be printed on the ballot following a candidate’s party name.

* * *

* * * Vote Tabulators * * *

Sec. 22. 17 V.S.A. § 2491 is amended to read:

§ 2491. POLITICAL SUBDIVISION; VOTE TABULATORS

(a) Except as provided in subsection (b) of this section, a board of civil authority may, at a meeting held not less than 60 days prior to an election and warned pursuant to 24 V.S.A. § 801, vote to require the political subdivision for which it is elected to use vote tabulators for the registering and counting of votes in subsequent local, primary, or general elections, or any combination of those.

(b) A town with 1,000 or more registered voters as of December 31 in an even-numbered years year shall use vote tabulators for the registering and counting of votes in subsequent general elections.

(c)(1) The Office of the Secretary of State shall pay the following costs associated with this section by using federal Help America Vote Act funds, as available:

(A) full purchase and warranty cost of vote tabulators, ballot boxes, and two memory cards for each tabulator;

(B) annual maintenance costs of vote tabulators for each town; and

(C) the first \$500.00 of the first pair of a vote tabulator’s memory cards’ configuration costs for each primary and general election.

(2) A town shall pay the remainder of any cost not covered by subdivision (1) of this subsection.

Sec. 23. 17 V.S.A. § 2493 is amended to read:

§ 2493. RULES FOR USE OF VOTE TABULATORS; AUDITS

(a) The Secretary of State shall adopt rules governing the use and the selection of any vote tabulator in the State. These rules shall include requirements that:

* * *

(4)(A) All vote tabulators shall be set to reject a ballot that contains an overvote and ~~provide~~ the voter shall be provided the opportunity to obtain another ballot and correct the overvote, have the ballot declared spoiled, and obtain another ballot. If an early voter absentee ballot contains an overvote, the elections official shall override the vote tabulator and count all races except any race that contains an overvote.

* * *

(b) Each vote tabulator shall be tested using official ballots that are marked clearly as “test ballots” at least 10 days prior to an election. This test shall be open to the public.

* * *

* * * Polling Places * * *

Sec. 24. 17 V.S.A. § 2508 is amended to read:

§ 2508. CAMPAIGNING DURING POLLING HOURS; VOTER ACCESS

(a)(1) The presiding officer shall ~~insure~~ ensure during polling hours on the day of the election that:

(1)(A) Within the building containing a polling place, no campaign literature, stickers, buttons, name stamps, information on write-in candidates, or other political materials are displayed, placed, handed out, or allowed to remain; ~~and~~

(2)(B) Within the building containing a polling place, no candidate, election official, or other person distributes election materials, solicits voters regarding an item or candidate on the ballot, or otherwise campaigns; and

(3)(C) On the walks and driveways leading to a building in which a polling place is located, no candidate or other person ~~may physically interfere~~ interferes with the progress of a voter to and from the polling place.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period of early or absentee voting.

(b) During polling hours, the presiding officer shall control the placement of signs on the property of the polling place in a fair manner.

(c) The provisions of this section shall be posted in the notice required by section 2521 of this title.

* * * Voter Information * * *

Sec. 25. 17 V.S.A. § 2521 is amended to read:

§ 2521. WARNINGS AND NOTICES

(a) Not less than 30 days before the election, the town clerk shall cause a warning and notice to be posted informing the voters of the town about the election.

(1) The warning shall include the date and time of the election, location of the polling place or places, nature of the election, and offices or questions to be voted upon.

(2) The notice shall contain information on voter registration and early or absentee voting, on how to obtain ballots, mark them, get help marking them, and obtain new ballots ~~in place of those accidentally spoiled if an error is made~~; information about offenses relating to elections; instructions on how to get help if there is a problem on election day; instructions for registrants by mail; instructions for first-time voters; instructions on who may cast a provisional ballot; instructions on how to cast a provisional ballot; information on federal and ~~state~~ State laws prohibiting fraud and misrepresentation; instructions on how to contact the appropriate official if a person believes any of his or her rights to vote have been violated; and other appropriate information.

(3) The warning and notice shall be posted in at least two public places within each town and in or near the town clerk's office. If a town has more than one polling place, the warning and notice shall be posted in at least two public places within each voting district and in or near the town clerk's office.

(4) The checklist shall also be posted as required in section 2141 of this title.

* * *

* * * Early or Absentee Voters * * *

Sec. 26. 17 V.S.A. § 2531 is amended to read:

§ 2531. APPLICATION FOR EARLY VOTER ABSENTEE BALLOT

(a)(1) A voter who expects to be an early or absentee voter, or an authorized person on behalf of such voter, may apply for an early voter

absentee ballot until 5:00 p.m. or the closing of the town clerk's office on the day preceding the election.

(2) If a town clerk does not have regular office hours on the day before the election and his or her office will not otherwise be open on that day, an application may be filed until the closing of the clerk's office on the last day that office has hours preceding the election.

(b) All applications shall be filed with the town clerk of the town in which the early or absentee voter is registered to vote. The town clerk shall file written applications and memoranda of verbal applications in his or her office, and shall retain the applications and memoranda for 90 days following the election, at which time they may be destroyed.

(c) Voting by early voter absentee ballot shall be allowed only in elections using the Australian ballot system.

Sec. 27. 17 V.S.A. § 2532 is amended to read:

§ 2532. APPLICATIONS; FORM

(a)(1) An early or absentee voter, or an authorized family member or health care provider acting in the voter's behalf, may apply for an early voter absentee ballot by telephone, in person, or in writing. "Family member" here means a person's spouse, children, brothers, sisters, parents, spouse's parents, grandparents, and spouse's grandparents. Any other authorized person may apply in writing or in person; provided, however, that voter authorization to such a person shall not be given by response to a robotic phone call.

(2) The application shall be in substantially the following form:

REQUEST FOR EARLY VOTER ABSENTEE BALLOT

Name of early or absentee voter: _____

Voter's Town of Residence: _____

Current physical address (address where you reside): _____

~~Residence (if different):~~ _____

Telephone Number: _____ E-mail Address: _____

Date: _____

I request early voter absentee ballot(s) for the election(s) checked below:

- (1) Annual Town Meeting;
- (2) All other local elections;
- (3) August Primary Election;

(4) Presidential Primary (YOU MUST SELECT PARTY);

(5) November General Election

(6) All elections in this calendar year

Please deliver the ballot(s) as indicated below (check one):

(1) Mail to voter at: _____

Street or P.O. Box Town/City State Zip Code

(2) Delivery by two Justices of the Peace (this may only be selected if you are ill or if you have a physical disability).

If applicant is other than early or absentee voter:

Name of applicant: _____

Address of applicant: _____

Relationship to early or absentee voter: _____

Organization, if applicable: _____

Date: _____ Signature of applicant: _____

(3) If the application is made by telephone or in writing, the information supplied must be in substantial conformance with the information requested on this form.

* * *

(d) An application for an early voter absentee ballot shall be valid for ~~only one election, unless specific request is made by an early or absentee voter that the application be valid for both a primary election, excluding a presidential primary, and the general election next following the elections or the time frame specified by the applicant, as long as both ballots are to be mailed to the same address.~~

(e) A single application shall only be valid for any elections within the same calendar year.

* * *

Sec. 28. 17 V.S.A. § 2537 is amended to read:

§ 2537. EARLY OR ABSENTEE VOTING IN THE TOWN CLERK'S OFFICE

(a)(1) A voter may, if he or she chooses, apply in person to the town clerk for the early voter absentee ballots and envelopes rather than having them mailed as required by section 2539 of this ~~title~~ subchapter.

(2) In this case, the clerk shall furnish the early voter absentee ballots and envelopes when a valid application has been made.

(3) The voter may mark his or her ballots, ~~seal~~ place them in the envelope, sign the certificate, and return the ballots in the ~~sealed~~ envelope containing the certificate to the town clerk or an assistant town clerk, without leaving the office of the town clerk, or the voter may take the ballots and return them to the town clerk in the same manner as if the ballots had been received by mail.

(b) No person, except justices of the peace as provided in section 2538 of this ~~title~~ subchapter, may take any ballot from the town clerk on behalf of any other person.

Sec. 29. 17 V.S.A. § 2540 is amended to read:

§ 2540. INSTRUCTIONS TO BE SENT WITH BALLOTS

(a) The town clerk shall send with all early voter absentee ballots and envelopes printed instructions, which may be included on the envelope, in substantially the following form:

INSTRUCTIONS FOR EARLY OR ABSENTEE VOTERS

1. Mark the ballots.
2. ~~Seal~~ Place them in this envelope.
3. Fill out and sign the certificate on the envelope.
4. Mail or deliver the ~~sealed~~ envelope containing the ballots to the town clerk of the town where you are a registered voter in time to arrive ~~no~~ not later than election day.

Note: If these ballots have been brought to you personally by two justices of the peace because of your illness or physical disability, just return them to the justices after you have ~~sealed and~~ signed the envelope. **YOU HAVE THE RIGHT TO MARK YOUR BALLOTS IN PRIVATE** - but if you ask for help in filling out the ballots, they will give it to you.

BE SURE TO FILL OUT AND SIGN THE CERTIFICATE ON THIS ENVELOPE OR YOUR VOTE WILL NOT COUNT!

* * *

Sec. 30. 17 V.S.A. § 2541 is amended to read:

§ 2541. MARKING OF BALLOTS

* * *

(c) If an early or absentee voter ~~spoils~~ makes an error in marking a ballot, the voter may return ~~the spoiled that~~ that ballot by mail or in person to the town clerk and receive another ballot, consistent with the provisions of section 2568 of this title.

Sec. 31. 17 V.S.A. § 2543 is amended to read:

§ 2543. RETURN OF BALLOTS

(a) After marking the ballots and signing the certificate on the envelope, the early or absentee voter to whom the same are addressed shall return the ballots to the clerk of the town in which he or she is a voter, in the manner prescribed, except that in the case of a voter to whom ballots are delivered by justices, the ballots shall be returned to the justices calling upon him or her, and they shall deliver them to the town clerk.

(b) Once an early voter absentee ballot has been returned to the clerk in the ~~sealed~~ envelope with the signed certificate, it shall be stored in a secure place and shall not be returned to the voter for any reason.

(c) If a ballot includes more than one page, the early or absentee voter need only return the page upon which the voter has marked his or her vote.

(d)(1) All early voter absentee ballots returned ~~to the clerk before the polls close on election day~~ as follows shall be counted:

(A) by any means, to the town clerk's office before the close of the polls on the day of the election; or

(B) by hand delivery to the presiding officer at the voter's polling place.

(2) An early voter absentee ballot returned in a manner other than those set forth in subdivision (1) of this subsection shall not be counted.

Sec. 32. 17 V.S.A. § 2546 is amended to read:

§ 2546. DEPOSIT OF EARLY VOTER ABSENTEE BALLOTS IN
BALLOT BOX OR VOTE TABULATOR

(a)(1)(A) ~~No sooner~~ Not earlier than 30 days before the opening of polls on election day, the town clerk ~~of a municipality with at least 300 registered voters on its checklist~~ may direct two election officials working together to do all of the following:

(1) open the outside envelope ~~in order to~~ and sort early voter absentee ballots by ward and district, ~~may data enter the return of the ballots by the voter, may~~ if necessary;

(2) determine that the certificate has been properly completed and signed;

(3) check the name of the early voter off the entrance checklist; and may

(4) place the inside certificate envelopes in various secure containers into a secure container marked "checked in early voter absentee ballots" to be transported to the polling places on election day.

~~(B) No sooner than 48 hours before the opening of polls on election day, a town clerk in all other municipalities may direct two election officials working together to open the outside envelope and remove the certificate envelope in order to determine that an early voter absentee ballot certificate has been properly signed by the early voter, and that the name of the early voter appears on the checklist.~~

~~(2) The election officials shall check the name of the early voter off the entrance checklist and place the sealed envelope into a secure container marked "checked in early voter absentee ballots" to be transported to the polling place on election day.~~

~~(3) Upon opening of the polls on election day, ballots from this container shall be opened by election officials, who are not members of the same political party, and deposited either into the ballot box or into the vote tabulator.~~

(b) The town clerk or presiding officer shall deliver the unopened early voter absentee ballots to the election officials at the place where the entrance checklist is located. Upon the opening of the polls on election day:

(1) If the ballots are in a container marked "checked in early voter absentee ballots," ~~two~~ one election ~~officials from different political parties~~ official shall open the certificate envelopes, turn the certificate side face down, and hand the envelope face down to a second election official from a different political party, who shall remove the ballots from the envelopes and deposit the ballots into them in the ballot box or ~~into the~~ vote tabulator.

(2) If the ballots have not been previously checked off the entrance checklist and if ~~an~~ two election ~~official determines~~ officials, from different political parties, determine that the certificate on the envelope is properly completed and signed by the early voter, the name of the early voter appears on the checklist, and the early voter is not a first-time voter in the municipality who registered by mail and is marked on the checklist as requiring additional documentation, the election ~~official~~ officials shall mark the checklist, open the envelope certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballot ballots in the proper ballot box or vote tabulator.

(3)(A) If the early voter is a first-time voter who registered by mail or online, ~~the two~~ election ~~official~~ officials from different political parties shall determine whether the identification required under subdivision 2563(1) of this title has been submitted by the voter. Upon ascertaining that the proper identification has been submitted by the voter, the election ~~official~~ officials shall mark the checklist, open the certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballot in the ~~proper~~ ballot box or vote tabulator.

(B) If the proper identification has not been submitted, the ballot shall be treated as a provisional ballot, as provided in subchapter 6A of this chapter.

(c) All early voter absentee ballots shall be commingled with the ballots of voters who have voted in person.

Sec. 33. 17 V.S.A. § 2546a is amended to read:

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

* * *

(d) Count and inspection.

(1) 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)(A)~~ 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)(B)~~ permit these ~~sealed~~ certificate envelopes to be inspected by members of the public.

(2) Any early voter absentee ballot that is returned after the expiration of the period for the count and inspection shall be processed on the day of the election in accordance with section 2546 of this subchapter.

(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 that was counted under subdivision (d)(1) of this section 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)~~ subdivision (d)(1) of this section.

* * *

Sec. 34. 17 V.S.A. § 2547 is amended to read:

§ 2547. DEFECTIVE BALLOTS

(a) If upon examination by the election officials it shall appear that ~~any of the following defects is present, either the ballot or the unopened certificate envelope shall be marked "defective" and the ballot shall not be counted:~~

(1) the early or absentee voter is not legally qualified to vote;~~or;~~

(2) the early or absentee voter has voted in person;~~or that;~~

(3) the affidavit on ~~any~~ the certificate envelope is ~~insufficient~~, not completed;

(4) the certificate is not signed;~~or;~~

(5) the voted ballot is not in the ~~voted ballot~~ certificate envelope;~~or;~~

(6) in the case of a primary vote, the early or absentee voter has failed to return the unvoted primary ballots;~~such envelope shall be marked "defective," and the ballots inside shall not be counted and.~~

(b) Each defective ballot or unopened certificate envelope shall be:

(A) affixed with a note from the presiding officer indicating the reason it was determined to be defective;

(B) placed with other such defective ballots in an envelope marked "Defective Ballots – Voter Checked Off Checklist - Do Not Count"; and

(C) ~~shall be returned in the unopened that~~ envelope to the town clerk in the manner prescribed by section 2590 of this title.

(c) The provisions of this section shall be indicated prominently in the early or absentee voter material prepared by the Secretary of State.

Sec. 35. 17 V.S.A. § 2548 is amended to read:

§ 2548. VOTING IN PERSON

* * *

(b)(1) A person who in good faith has received early voter absentee ballots for his or her use but has not yet marked them, if he or she is able to vote in person, may cast the early voter absentee ballots as provided above, or may vote in person after returning the complete set of unmarked ballots, together with the envelope intended for their return, to the presiding officer at the time the voter appears to vote in person.

(2) If a person does not have his or her absentee ballots to return, the person shall be checked off the checklist and permitted to vote only after completing a sworn affidavit that he or she does not have his or her absentee ballots to return.

(3) The presiding officer shall return the unused early voter absentee ballots and envelope to the town clerk, who shall make a record of their return on the list of early or absentee voters and treat them as ~~spoiled or unused~~ replaced ballots, pursuant to section 2568 of this title.

* * * Provisional Voting * * *

Sec. 36. 17 V.S.A. § 2555 is amended to read:

§ 2555. PROVISIONAL BALLOT ENVELOPES

The clerk shall deliver to each polling place on the date of the election a sufficient number of provisional ballot envelopes printed with a voter attestation. The attestation shall include:

* * *

(4) A statement informing the provisional voter: ~~“Provisional balloting allows a provisional voter only to vote in federal elections. If you wish to vote in any other State or local election, you should return this form to the elections officials and file an appeal in Superior Court in the county in which you live pursuant to section 2148 of this title. If you choose to vote by provisional ballot, after the close of the polls, the town clerk will determine whether you meet all eligibility requirements. If the clerk denies your application, he or she will inform you that the application has been denied.”~~

* * * Process of Voting * * *

Sec. 37. 17 V.S.A. § 2563 is amended to read:

§ 2563. ADMITTING VOTER

Before a person may be admitted to vote, he or she shall announce his or her name and, if requested, his or her place of residence in a clear and audible tone of voice, or present his or her name in writing, or otherwise identify himself or herself by appropriate documentation. The election officials

attending the entrance of the polling place shall then verify that the person's name appears on the checklist for the polling place.

(1) If the name does appear, and if no one immediately challenges the person's right to vote on grounds of identity or having previously voted in the same election, the election officials shall repeat the name of the person and:

(A)(i) If the checklist indicates that the person is a first-time voter in the municipality who registered by mail or online, whose driver's license, nondriver identification number, or last four digits of his or her Social Security number provided by the applicant have not been verified by the Secretary of State, and who has not provided required identification before the opening of the polls, require the person to present any one of the following: a valid photo identification; a copy of a current utility bill; a copy of a current bank statement; or a copy of a government check, paycheck, or any other government document that shows the current name and address of the voter.

* * *

Sec. 38. 17 V.S.A. § 2564 is amended to read:

§ 2564. CHALLENGES

(a)(1)(A) Each organized political party, each candidate on the ballot not representing an organized political party, and each committee supporting or opposing any public question on the ballot shall have the right to have not more than two representatives for each voting district, in a polling place but outside the guardrail, for the purpose of observing the voting process and challenging the right of any person to vote.

(B) In no event shall such representatives be permitted to interfere with the orderly conduct of the election, and the presiding officer shall have authority to impose reasonable rules for the preservation of order.

(C) However, in all cases the representatives shall have the right to hear or see the name of a person seeking to vote, and they shall have the right to make an immediate challenge to a person's right to vote.

(2) The grounds of challenge of a person whose name appears on the checklist shall be only:

~~(1)(A)~~ that he or she is not, in fact, the person whose name appears on the checklist; or

~~(2)(B)~~ that he or she has previously voted in the same election.

(b) If a challenge is issued, the members of the board of civil authority present in the polling place shall immediately convene, informally hear the facts, and decide whether the challenge should be sustained.

(1) If the board overrules the challenge, the person shall immediately be admitted within the guardrail and permitted to vote.

(2) If the board sustains the challenge, the person shall not be admitted unless, before the polls close, he or she shall obtain a court order directing that he or she be permitted to vote.

Sec. 39. 17 V.S.A. § 2566 is amended to read:

§ 2566. MARKING BALLOTS

On receiving his or her ballots, the voter shall forthwith, and without leaving the polling place or going outside the guardrail, proceed to one of the booths not occupied by any other person and vote by filling in the appropriate square or oval opposite the name of the candidate of his or her choice for each office, or by ~~filling~~ writing in the name of the candidate of his or her choice in the blank space provided and filling in the square or oval to the right of that blank space.

Sec. 40. 17 V.S.A. § 2568 is amended to read:

§ 2568. ~~SPOILED~~ REMOVING BALLOTS FROM POLLING PLACE;
REPLACEMENT, BLANK, AND UNUSED BALLOTS

(a) Removing ballots from polling place. A person shall not take or remove a ballot from the polling place before the close of the polls.

(b) Replacement ballots.

(1) If a voter ~~spoils~~ desires a replacement ballot, he or she may obtain ~~others another, one at a time,~~ not exceeding three in all, upon each time returning to an election official the spoiled one previous ballot he or she was provided.

(2) If a ballot is returned to an election official by a voter desiring a replacement ballot, the ballot returned by the voter shall be immediately delivered to the presiding officer or his or her designee, who shall tear it in half and place it in an envelope containing all ballots returned by the voters that is clearly marked "Do Not Count—Replaced Ballots." At the close of the polls, this envelope shall be sealed and delivered to the clerk pursuant to section 2590 of this chapter. ~~If a person fails to use a ballot, he or she shall deliver it to the presiding officer before going outside the guardrail.~~

(c) ~~Spoiled and unused~~ Unused ballots ~~shall be immediately canceled and, together with those,~~ Ballots originally delivered to the presiding officer ~~which~~ that remain undistributed to the voters; shall be preserved and returned to the town clerks, ~~in the same manner provided for in section 2590 of this title,~~ and the clerk shall preserve them in such condition, unless called for by some authority entitled to demand and receive them. After 90 days from the date the

election is held, they may be destroyed or distributed by the town clerk for educational purposes or for any other purpose the town clerk deems appropriate.

Sec. 41. 17 V.S.A. § 2570 is amended to read:

§ 2570. DEPOSITING BALLOTS

(a) In primary elections, the voter shall first hand any unvoted primary ballots to the appropriate election official, who shall deposit those ballots in a receptacle marked for unvoted primary ballots. The voter shall then deposit the voted ballot in the ballot box or vote tabulator, unless the voter requires assistance in depositing the ballot.

* * *

* * * Count and Return of Votes * * *

Sec. 42. 17 V.S.A. § 2586 is amended to read:

§ 2586. ~~SECRETARY OF STATE TO PREPARE FORMS~~ TALLY SHEETS; SUMMARY SHEETS; RETURNS

The ~~secretary of state~~ Secretary of State shall design, prepare, and distribute a sufficient supply of the following forms, which ~~shall~~ may be used in each polling place during the counting process:

(1) Tally sheets.

(A) These sheets shall provide a place to identify the office or question for which the ballots are being counted, the name of each candidate for that office, and the signature of the pair of election officials actually counting the ballots.

(B) Votes for each candidate or question shall be recorded on the tally sheets by means of “tick” marks or some other convenient system, and the total shall then be written on the tally sheet.

(C) Blank votes (undervotes) and ~~spoiled ballots~~ overvotes shall be indicated.

(D) ~~All~~ In towns that count ballots by hand, all votes must be accounted for on the tally sheets.

* * *

Sec. 43. 17 V.S.A. § 2587 is amended to read:

§ 2587. RULES FOR COUNTING ~~BALLOTS~~ VOTES

(a)(1) In counting ~~ballots~~ votes, election officials shall attempt to ascertain the intent of the voter, as expressed by markings on the ballot ~~which~~ and in a

manner that is consistent with guidance that shall be adopted by rule by the Secretary of State. ~~The Secretary shall adopt, by rule, guidance on determining whether a ballot is spoiled.~~

(2) If it is impossible to determine the intent of the voter for any office or public question, the ~~ballot vote~~ shall be counted as a blank or ~~spoiled~~ overvote, as the case may be, for that office or question; but that determination shall not control any other office or question appearing on the ballot for which the voter's intent can be determined.

(3) If they have any doubt about the intent of the voter or any other question about a ~~ballot vote~~, the election officials counting the ~~ballot vote~~ shall bring it to the presiding officer, who shall present the question of how to treat the ~~ballot vote~~ to the assembled election officials. The decision of how to treat the ~~ballot vote~~ shall be made by majority vote of the election officials who are present.

(b) If the voter marks more names than there are persons to be elected to an office, or marks contradictory sides on any public question, ~~his or her ballot shall not be counted for that office or public question~~ overvotes equal to the number of candidates to be elected to the office must be recorded on the tally sheet for that office or question.

(c)(1) A write-in vote for a candidate whose name is preprinted on the ballot shall be counted as a vote for that candidate.

(2) A person who receives more than one vote for the same office on any ballot shall be entitled to one vote, and one vote only.

(d) If the board of civil authority decides by majority vote of those present that any markings on a ballot were made for the purpose of enabling it to be identified and the vote traced, so as to defeat the secrecy of the ballot,;

(1) that ballot shall be;

(A) rejected;

(B) marked defective and affixed with a note from the presiding officer as to why it was marked defective; and

(C) placed in the defective ballot envelope in accordance with subsection 2547(b) of this chapter; and

(2) the election officials may edit the vote tabulator totals reported on the vote tabulator tape, as necessary. ~~The board shall make a record of the rejection and the reason for it, and shall preserve the record with the ballot in question.~~

(e)(1) In the case of “write-in” votes, the act of writing in the name of a candidate, or pasting a label containing a candidate’s name upon the ballot, without other indications of the voter’s intent, shall constitute a vote for that candidate, even though the voter did not fill in the square or oval after the name.

(2) The election officials counting ballots and tallying results shall list every person who receives a “write-in” vote and the number of votes received.

(A) On each tally sheet, the counters shall add together the names of candidates that are clearly the same person, even though a nickname or last name is used.

(B) Names of fictitious or deceased persons shall not be listed and shall be recorded on the tally sheet as a blank vote.

* * *

Sec. 44. 17 V.S.A. § 2588 is amended to read:

§ 2588. FILING RETURNS

For any primary or general election:

~~(a)~~(1)(A) In towns that count all ballots by hand, as the count of votes for each office or public question is completed, the presiding officer and at least one other election official shall collect the tally sheets, enter the totals shown on the tally sheets upon the summary sheets, add and enter the sum of the figures, and sign the summary sheets.

(B) As each summary sheet is completed, the presiding officer shall publicly announce the results.

~~(b)~~(2)(A) In towns that use vote tabulators, after the close of the polls and after all remaining absentee or transfer ballots have been fed into the vote tabulator, the presiding officer shall insert the ender card and the tabulator will print a tape of unofficial results. The presiding officer shall print at least ~~two~~ one additional ~~copies~~ copy of the tabulator tape.

(B) The unofficial results from the tape may be publicly announced, and one copy of the printed tape may be posted in the polling place upon a placard that clearly states: “Unofficial incomplete results.”

~~(c) For any primary or general election:~~

~~(1)~~(3) The town clerk shall report as soon as practicable on the day of the election the unofficial vote counts of all candidates whose names appeared on the ballot to the Secretary of State. The report shall be made by electronically submitting the vote counts on the Secretary’s online elections reporting system or, if unable to submit electronically, by submitting those

vote counts to the Secretary of State by telephone, facsimile, or e-mail.

~~(2)~~(4) The Secretary shall ensure that any vote counts submitted by telephone, facsimile, or e-mail are entered into his or her online elections reporting system as soon as practicable after he or she receives them.

~~(3)~~(5) The Secretary's online elections reporting system shall cause the unofficial vote counts to be posted immediately on the Secretary's official website as soon as those vote counts are submitted.

~~(4)~~(6)(A) The presiding officer and one other election official then shall proceed either to complete the return at once, or to store the summary sheets in a safe and secure place until their retrieval for completion of the return. In any event, ~~no~~ not later than ~~24~~ 48 hours after the polls close, the presiding officer and at least one other election official shall transfer the totals from the summary sheets to the proper spaces on the return, and both shall sign the return.

(B) The town clerk shall store the summary sheets safely so that the public cannot reasonably have access to them for a period of 90 days without the town clerk's consent.

(C) The original of the return shall be delivered to the town clerk. In a manner prescribed by the Secretary of State and within 48 hours of the close of the polls, the town clerk shall deliver to the Secretary of State, the senatorial district clerk, the county clerk, and the representative district clerk one certified copy each of the return. The town clerk shall also make a copy available to the public upon request.

Sec. 45. 17 V.S.A. § 2590 is amended to read:

§ 2590. SECURING AND STORING BALLOTS, TALLY SHEETS, AND CHECKLISTS

(a)(1) The following shall not be placed in a sealed container, but shall be delivered to the town clerk along with the sealed containers:

(A) ballots that were never distributed to voters;

(B) any vote tabulator memory card; and

(C) the original entrance checklist.

(2) The presiding officer shall collect and deliver to the town clerk, securely sealed in the containers described in subsection (c) of this section, the following:

(A) packages of voted ballots;

(B) envelopes containing ballots that have been replaced;

(C) envelopes containing defective ballots;

(D) the exit checklist, if present;

(E) tally sheets; and

(F) other election material shall be collected by the presiding officer and delivered to the town clerk, securely sealed in the containers provided for in subsection (b) of this section.

(3) A copy of the entrance checklist shall be placed in the outside pocket of the sealed container or otherwise stored along with but outside the sealed container for delivery to the court in the event of a recount.

(4) If the material collected from one polling place is sealed in more than one container, the presiding officer shall ensure that there shall be attached to the container in which the exit checklist or checklists are is located, a tag stating that the checklist or checklists are is in that container.

(5) The form of the seal shall be designated and furnished by the secretary of state Secretary of State in sufficient quantities to each town clerk. The secretary of state Secretary of State shall require that all seals be safely kept and fully accounted for. The entrance checklist shall also be forwarded to the town clerk.

(b) The secretary of state Secretary of State shall furnish to all town clerks sufficient quantities of uniform-style containers. The secretary of state Secretary shall establish a method by which the outside of each container shall indicate the contents of the container, the town to which it belongs, and such other pertinent information as may be required.

(c)(1) The presiding officer shall return all sealed containers to the town clerk, who shall safely store them the sealed containers and shall not permit them to be removed from his or her custody or tampered with in any way.

(2)(A) In the event that a ballot bag or container breaks, splits, or opens through handling, or in the event the original entrance checklist or a vote tabulator memory card was inadvertently sealed in a ballot bag or container, the town clerk shall notify the secretary of state Secretary of State in writing, and the secretary of state Secretary shall order the town clerk in the presence of two other town election officials who are not members of the same political party to open the bag to remove the entrance checklist or vote tabulator memory card or to move the entire contents to new bags or containers, affix new seals, and transmit the new seal numbers.

(B) Ballot bags or containers Containers shall not be removed or tampered with in any other way, except under court order, or by order of any authorized committee of the general assembly General Assembly.

(C) If necessary for safe storage of the containers, the town clerk may store them in a bank vault or other secure place, within or ~~without~~ outside the town, provided that access to them cannot reasonably be had without the town clerk's consent.

* * *

Sec. 46. 17 V.S.A. § 2592 is amended to read:

§ 2592. CANVASSING COMMITTEES; CANVASS OF VOTES IN
GENERAL OR SPECIAL ELECTIONS

(a) For all ~~state~~ State and national offices and statewide public questions, the ~~secretary of state~~ Secretary of State and the chair of the ~~state~~ State committee of each major political party (or designee) shall constitute a canvassing committee to receive and tally returns and issue certificates.

(b) For all county offices (~~except justice of the peace~~) and countywide public questions, the county clerk and the chair of the county committee of each major political party (or designee) shall constitute a canvassing committee to receive and tally returns and issue certificates.

* * *

(k)(1) In the case of the State offices of ~~governor, lieutenant governor, treasurer, secretary of state, attorney general, and auditor of accounts~~, the canvassing committee shall prepare a certificate of election but shall not sign it.

(2) The prepared certificate shall be presented to the official canvassing committee appointed by the ~~general assembly~~ General Assembly, pursuant to Chapter II, § 47 of the Constitution of the State of Vermont ~~constitution~~, for their use if they desire.

(l)(1) In the case of a tie vote, the canvassing committee shall forthwith petition the appropriate ~~superior court~~ Superior Court for a recount pursuant to section 2602 of this title.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, either of the candidates that is involved in a tie may notify the appropriate Superior Court that he or she is withdrawing, in which case the court shall certify the other candidate as the winner.

(m) Each canvassing committee shall file a report of its findings with the ~~secretary of state~~ Secretary of State, who shall preserve the reports as permanent records.

* * * Contested Legislative Elections * * *

Sec. 47. 17 V.S.A. § 2605 is amended to read:

§ 2605. HOUSE OF REPRESENTATIVES

(a) A candidate for the office of ~~representative to the general assembly~~ Representative to the General Assembly in the general election, or any elected town officer in the representative district, or any 25 voters in the representative district may request the ~~house of representatives~~ House of Representatives to exercise its constitutional authority to judge ~~of~~ the elections and qualifications of its own members, by filing a written request with the ~~secretary of state~~ Secretary of State specifying the candidate or candidates whose election is being challenged. The request must be filed ~~no~~ not later than the latest of the following:

(1) 20 days after the date of the election; or

(2) 10 days after a final court judgment, if there is a recount under section 2602 of this title; ~~or~~

~~(3) 10 days after a final court judgment, if there is a contest under section 2603 of this title.~~

(b)(1) The ~~secretary of state~~ Secretary of State shall notify the ~~attorney general~~ Attorney General, who shall investigate the facts, take such depositions as may be necessary, prepare an opinion on the law and facts, and send his or her report and opinion to the ~~secretary of state~~ Clerk of the House at least 10 days before the ~~general assembly~~ General Assembly convenes.

(2) If the Attorney General needs additional time to conduct the investigation or prepare the report and opinion required by this subsection, he or she shall alert the Clerk of the House of that need and the date by which he or she plans to submit the report and opinion.

Sec. 48. 17 V.S.A. § 2606 is amended to read:

§ 2606. SENATE

(a) A candidate for the office of ~~state senator~~ State Senator in the general election; or any 100 voters in the senatorial district may request the ~~senate~~ Senate to exercise its constitutional authority to judge ~~of~~ the elections and qualifications of its own members by filing a written request with the ~~secretary of state~~ Secretary of State specifying the candidate or candidates whose election is being challenged. The request must be filed ~~no~~ not later than the latest of the following:

(1) 20 days after the date of the election; or

(2) 10 days after a final court judgment, if there is a recount under section 2602 of this title;~~or~~

~~(3) 10 days after a final court judgment, if there is a contest under section 2603 of this title.~~

(b)(1) ~~The secretary of state~~ Secretary of State shall notify the ~~attorney general~~ Attorney General, who shall investigate the facts, take such depositions as may be necessary, prepare an opinion on the law and facts, and send his or her report and opinion to the ~~secretary of the senate~~ Secretary of the Senate at least 10 days before the ~~general assembly~~ General Assembly convenes.

(2) If the Attorney General needs additional time to conduct the investigation or prepare the report and opinion required by this subsection, he or she shall alert the Secretary of the Senate of that need and the date by which he or she plans to submit the report and opinion.

* * * Local Elections; Generally * * *

Sec. 49. 17 V.S.A. § 2640 is amended to read:

§ 2640. ANNUAL MEETINGS

(a) A meeting of the legal voters of each town shall be held annually on the first Tuesday of March for the election of officers and the transaction of other business, and it may be adjourned to another date. When a municipality fails to hold an annual meeting, a warning for a subsequent meeting shall be issued immediately, and at that meeting all the officers required by law may be elected and its business transacted.

(b) When a town so votes, it may thereafter start its annual meeting on any of the three days immediately preceding the first Tuesday in March at such time as it elects and may transact at that time any business not involving voting by Australian ballot or voting required by law to be by ballot and to be held on the first Tuesday in March. A meeting so started shall be adjourned until the first Tuesday in March.

(c)(1) Notwithstanding section 2508 of this title, public discussion of ballot issues and all other issues appearing in the warning, other than election of candidates, shall be permitted ~~on that day~~ at the annual meeting, regardless of the location of the polling place.

(2) Notwithstanding the provisions of subdivision (1) of this subsection, a candidate for local office nominated from the floor at the annual meeting may introduce his or her candidacy to the extent permitted by the voters at the meeting.

Sec. 50. 17 V.S.A. § 2650 is amended to read:

§ 2650. ~~ADDITIONAL SELECTMEN AND LISTERS AND~~
SELECTBOARD MEMBERS

(a) Additional listers. A town may vote at a special or annual town meeting to elect ~~not more than~~ two additional listers for terms of one year each.

(b) Additional selectboard members.

(1)(A) A town may vote at a special or annual town meeting to elect ~~not more than~~ two additional ~~selectmen~~ selectboard members for terms of either one or two years each.

(B) When the terms of the additional ~~selectmen~~ selectboard members are to be for two years, the warning for the meeting shall so specify.

(2)(A) If two additional ~~selectmen~~ selectboard member positions are created, they shall be for terms of the same length, but if the terms of the new positions are to be for two years, when the additional ~~selectmen~~ selectboard members are first elected, one shall be elected for one year and the other ~~selectman~~ selectboard member for two years.

(B) Terms of these additional ~~selectmen~~ selectboard members shall end on annual meeting days. If the additional ~~selectmen~~ selectboard members are elected at a special meeting, the term of those elected for one year shall expire on the next annual meeting day and those elected for two years shall expire on the second annual meeting day following their election.

(c) Discontinuing additional listers or selectboard members.

(1) A vote establishing additional ~~selectmen or~~ listers or selectboard members shall remain in effect until the town votes to discontinue the two additional positions at an annual or special meeting duly warned for that purpose.

(2) The term of office of any lister or selectboard member in office on the date a town votes to discontinue that office shall expire on the 31st day after the vote, unless a petition for reconsideration or rescission of that vote is filed with the clerk of the municipality in accordance with section 2661 of this chapter, in which case that section shall control.

Sec. 51. 17 V.S.A. § 2652 is amended to read:

§ 2652. ROAD AND WATER COMMISSIONERS

The ~~board of selectmen~~ selectboard may and, when requested by at least five percent of the legal voters of a town at least ~~40~~ 47 days prior to the annual town meeting, ~~they~~ it shall insert in the warning for the annual town meeting an article on the question of whether ~~or not~~ the town shall elect a road

commissioner or commissioners, or water commissioners, as provided in section 2651 of this ~~title~~ chapter.

Sec. 52. 17 V.S.A. § 2661 is amended to read:

§ 2661. RECONSIDERATION OR RESCISSION OF VOTE

* * *

(c) A question voted on shall not be presented for reconsideration or rescission at more than one subsequent meeting within ~~the succeeding 12 months~~ a one-year period, except with the approval of the legislative body.

(d) For a vote by Australian ballot;

(1) the form of the ballot shall be as follows: “Article 1: [cite the article to be reconsidered as lastly voted].”

(2) absentee ballots for the reconsideration or rescission vote shall be sent to any voter who requested an absentee ballot for the initial vote on the article to be reconsidered or rescinded, whether or not a separate request for an absentee ballot for the reconsideration or rescission vote is submitted by the voter.

* * *

(g) This section shall not apply to nonbinding advisory articles, which shall not be subject to reconsideration or rescission.

* * * Local Elections Using the Australian Ballot System * * *

Sec. 53. 24 V.S.A. § 1755 is amended to read:

§ 1755. SUBMISSION TO VOTERS

* * *

(b) A municipal corporation may not submit to the voters more than twice in ~~the same calendar year or any 12-month~~ any one-year period the proposition of incurring a bonded debt to pay for the same or a similar public improvement, except that a proposition voted on for the first time at an annual meeting that is reconsidered may be voted on in the subsequent annual meeting.

Sec. 54. 17 V.S.A. § 2680 is amended to read:

§ 2680. AUSTRALIAN BALLOT SYSTEM; GENERAL

(a) Application. Unless specifically required by statute, the provisions of the Australian ballot system shall not apply to the annual or special meeting of a municipality unless that municipality, at its annual meeting or at a special meeting called for that purpose, votes to have them apply.

* * *

(c) Budgets.

(1) A vote whether to use the Australian ballot system to establish the budget shall be in substantially the following form:

“Shall (name of municipality) adopt its (name of individual budget article) or (all budget articles) by Australian ballot?”

* * *

(g) Hearing.

(1) Whenever a municipality has voted to adopt the Australian ballot system of voting on any public question or budget, except the budget revote as provided in subsection (c) of this section, the legislative body shall hold a public informational hearing on the question by posting warnings at least 10 days in advance of the hearing in at least two public places within the municipality and in the town clerk's office.

(2)(A) The hearing shall be held within the 10 days preceding the meeting at which the Australian ballot system is to be used. The legislative body shall be responsible for the administration of this hearing, including the preparation of minutes.

(B) The In a town that has voted to start its annual meeting on any of the three days immediately preceding the first Tuesday in March in accordance with subsection 2640(b) of this title, the hearing under this subsection may be held in conjunction with the that meeting held under subsection 2640(c) of this title, in which case the moderator shall preside.

Sec. 55. 17 V.S.A. § 2681 is amended to read:

§ 2681. NOMINATIONS; PETITIONS; CONSENTS

(a)(1)(A) Nominations of the municipal officers shall be by petition. The petition shall be filed with the municipal clerk, together with the endorsement, if any, of any party or parties in accordance with the provisions of this title, ~~no~~ not later than 5:00 p.m. on the sixth Monday preceding the day of the election, which shall be the filing deadline.

(B) A candidate shall be registered to vote in the town he or she is seeking office at or before the time of filing the petition.

(2) The candidate shall also file a written consent to the printing of the candidate's name on the ballot on or before the filing deadline for petitions as set forth in subdivision (1) of this subsection.

(3) A petition shall contain the name of only one candidate, and the candidate's name shall appear on the petition as it does on the voter checklist. A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case the voter may sign as many petitions as there are nominations to be made for the same office.

* * *

* * * Local Election Recounts * * *

Sec. 56. 17 V.S.A. § 2681a is amended to read:

§ 2681a. LOCAL ELECTION BALLOTS

* * *

(e) Public questions shall be written in the form of a question, with boxes indicating a choice of "yes" and "no" directly under or to the right side of the public question. No public question shall pass unless a majority of the votes, excluding blank and ~~spoiled votes~~ overvotes, is cast in favor of the proposition.

Sec. 57. 17 V.S.A. § 2683 is amended to read:

§ 2683. REQUEST FOR A RECOUNT; CANDIDATES

(a) A candidate for local office may request a recount by filing a request in writing with the municipal clerk within 10 days after the election.

(b) If the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is ~~less than~~ five percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

Sec. 58. 17 V.S.A. § 2685 is amended to read:

§ 2685. CONDUCT OF RECOUNT

(a)(1) Except as provided in subdivision (2) of this subsection, at the time and place specified by the clerk, the board of civil authority shall break the seal, open the ballot container, and recount the votes pursuant to the procedure set forth in section 2685a of this subchapter and otherwise in the same manner as the votes were counted on the day of the election.

(2) When the ballot for the office is printed on index stock and configured to be readable by vote tabulator, the ~~presiding officer~~ town clerk and board of civil authority shall conduct the recount by vote tabulator, pursuant to the procedure set forth in chapter 51, subchapter 9 of this title to the greatest extent practicable, if:

(A) the candidate who petitions for a recount requests that it be conducted by vote tabulator;

(B) the board of civil authority, at a meeting held not less than 60 days prior to a local election and warned pursuant to 24 V.S.A. § 801, has voted to require the municipality for which it is elected to use vote tabulators in subsequent recounts; or

(C) the municipality has voted to use vote tabulators in subsequent recounts pursuant to a meeting warned for the purpose.

(b) The petitioner, the opposing candidates, and their designated representatives may inspect the ballots and observe the recount under the guidance of the board.

(c) The board shall certify the result to the town clerk, who shall declare the result.

(d) After the recount, the board shall seal the ballots and other materials back in the containers and the town clerk shall safely store them as provided in section 2590 of this title.

Sec. 59. 17 V.S.A. § 2685a is amended to read:

§ 2685a. PROCEDURE FOR RECOUNT

(a) Storage of ballots; assignment of duties.

(1) The town clerk shall store all ballots, still in their sealed containers, in his or her vault until the day of the recount.

(2)(A) ~~The presiding officer~~ town clerk shall supervise the recount.

(B) If the town clerk is unavailable or is a candidate for the office subject to the recount, the board of civil authority shall appoint a voter of the municipality to perform the duties of the town clerk under this section.

(3)(A) The board of civil authority shall appoint a sufficient number of impartial assistant election officers to perform appropriate tasks ~~that are not practicable for the board of civil authority to perform to conduct the recount.~~

(B) Each assistant election officer shall be appointed and sworn as set forth in section 2454 of this title.

~~(4) The presiding officer shall assign members of the board of civil authority to teams of at least four persons, consisting of one caller and one observer, representing different candidates, and one tally person and one double-check person, representing different candidates. Any additional team members shall be additional observers and double-check persons who shall be assigned to ensure that each candidate has one person assigned as either a~~

~~caller or an observer and one person assigned as either a tally person or a double-check person. One team shall be designated as the presiding officer observer team, which shall perform only the functions established under this section for that team. [Repealed.]~~

~~(5) The board of civil authority shall use fresh seals, manila tags, tally sheets, double check sheets, summary sheets for each polling place, master lists for the entire election to be recounted, and other appropriate material provided by the Secretary of State. [Repealed.]~~

(b) Preparation for recount.

~~(1) Before the recount begins, the presiding officer town clerk shall explain the recount procedures which that are to be followed and shall answer questions relating to such procedures.~~

~~(2) The recount teams established election officials shall recount the contents of one container before another container is opened and shall recount the contents of all the containers relating to one polling place before moving to those of another polling place.~~

~~(3) For each polling place, the number of containers shall be counted and recorded on the master list.~~

~~(4) Before opening, each container shall be inspected, and if no tag is present, replacement manila tags shall be affixed, specifying the date of election and the name of town and polling place. Likewise, each seal shall be examined to see if it is intact, and the presiding officer shall attach to any bag with a defective seal a tag stating that the seal was defective and containing the information which was contained on the defective seal.~~

~~(5) Uncounted containers shall be kept in one part of the room and moved to the other side as they are counted. Each team shall have a separate table and the presiding officer shall have a separate table, all of which tables shall be spaced apart.~~

~~(6) If there is more than one container from a polling place, the presiding officer shall open first the container which is identified as containing the checklist. Upon opening the first container in the presence of the presiding officer observer team, the presiding officer shall empty the contents onto the presiding officer's table. The presiding officer shall ensure that teams are not given unused ballots, early or absentee ballots which arrived after the close of polls, or ballots spoiled by voters and turned in by voters requesting fresh ballots.~~

(c) Examination of checklists.

~~(1) The checklist from the first bag shall be assigned to a team. The caller and observer, each acting independently, shall examine the checklist and determine how many voters voted at the polling place, repeating the process until they agree on a number or until they agree to disagree on a number.~~

~~(2) Then the checklist shall be examined by the tally person and the double check person, repeating the process until they agree on a number or they agree to disagree on the number.~~

~~(3) The results obtained from the two subgroups will be compared and if they do not match, the process shall be repeated until there is agreement among all the members of the team or until team members agree to disagree.~~

~~(4) The number finally determined by a majority of team members shall be submitted to the presiding officer in the presence of the presiding officer observer team, together with an indication of the nature and extent of the disagreement. If one or more team members do not agree with the number submitted, the presiding officer shall note on the master list the fact that the number of people appearing as having voted on a specified checklist was subject to dispute. [Repealed.]~~

~~(d) Sorting of ballots.~~

~~(1) Ballots from the first container shall be counted by one team and placed into piles containing 50 ballots each, except where there is a final pile which contains fewer than 50, in which case, the counting team shall affix to the top of the pile a note indicating how many ballots are contained in the pile. All of these ballots then shall be transferred to another team which shall verify that they are in piles of 50 ballots each and that any remaining pile contains the designated number of ballots.~~

~~(2) The teams, except the presiding officer observer team and possibly the team which is processing the checklists, shall proceed to their tables and each team shall get from the presiding officer one pile of ballots, one tally sheet, and one double check sheet per 50 ballots, unless there are more persons per team who serve as double check persons, in which case, each such person shall be assigned a double check sheet. If a team spoils a tally sheet or needs to retally, it must turn in the tally sheet in order to get another one. [Repealed.]~~

~~(e) First tally Ballot review.~~

~~(1) The caller shall call the name of the person voted for and any blank or spoiled ballots. The tally person and the double check person or persons each shall make a suitable mark for that candidate and any blank or spoiled ballots.~~

~~(2) If the caller and the observer or observers election officials examining a particular ballot do not agree on how a the vote on that ballot~~

should be counted, ~~the entire team~~ all of the board of civil authority members present shall all review the ballot vote, and if all members agree, it the vote shall be counted that way as agreed upon by a majority of those board of civil authority members.

~~(3) If one member of the entire team does not agree, that ballot shall be set aside as a questioned ballot and a copy shall be made, which copy shall be clearly marked on its face identifying it as a copy. Such copies shall be placed on the top of the other ballots and shall remain together with the other ballots. Each original ballot deemed questionable shall be attached to a note which identifies it by town, polling place, and bag seal number. The originals of these questionable ballots shall be clipped to the summary sheet for that polling place and returned to the board of civil authority for a final decision by majority vote.~~

~~(4) After the board of civil authority has rendered a final decision on a given questionable ballot, it shall be returned to the town clerk who shall keep it in a sealed container for a period of two years.~~

~~(5)(2) Write-in votes~~ A write-in vote for a preprinted candidates candidate shall be counted as ~~votes~~ a vote for that candidate.

~~(6) If the tally persons do not agree on the number of votes for a candidate, the ballots shall be retallied until they do agree. Then the team shall notify the presiding officer that it has completed the first recount.~~

~~(f) Second tally.~~

~~(1) The presiding officer shall attach to the tally and double check sheets a note which indicates which team members performed which functions in the first recount, and shall provide the team with a new tally sheet and an appropriate number of double check sheets to match the number of people serving as double check persons.~~

~~(2) The members of the team then shall switch roles, with callers and observers becoming tally persons and double check persons, as designated by the presiding officer, and the team shall complete a second recount, following the procedures established for the first recount.~~

~~(3) When the results of the second recount match those of the first, a note shall be attached to the tally and double check sheets, indicating which persons provided what functions during the second recount.~~

~~(4) Then the team shall take its tally sheets, double check sheets, and ballots, plus a separate pile of questionable ballots, if any, to the presiding officer.~~

~~(5) Team members, in the presence of the presiding officer observer team, shall read the totals to the presiding officer who, in the view of these observers, shall record the totals on the summary sheet for that polling place.~~

~~(6) After a team has presented its pile of ballots to the presiding officer, it shall be assigned another pile of ballots, until all of the piles from a particular polling place have been recounted two times. [Repealed.]~~

(g) Completing the tally.

~~(1) After the totals for a polling place have been listed, the presiding officer shall add them up in the presence of the presiding officer observer team, and shall compare the number with the number of voters who voted at that polling place, according to the number obtained from the team that examined the certified checklist. If these numbers differ, the presiding officer shall note the amount of the difference on the summary sheets for that polling place.~~

~~(2) The presiding officer shall return all ballots to the container, seal it, record the seal number on the summary sheet, write "recounted" and specify the date of the recount on the tag, and move it to the other side of the room, making sure that there is never more than one bag open at any one time.~~

~~(3) This procedure shall be repeated for each container, until the results from a polling place have been recounted, and then it shall be repeated until the results from all polling places in a town have been recounted.~~

~~(4) The presiding officer shall add the totals on each summary sheet, affix the presiding officer's seal, and send the summary sheets for all polling places together with the master list and any questionable ballots to the board of civil authority. [Repealed.]~~

(h) Other rules for conducting the recount.

~~(1) The presiding officer town clerk shall preserve order. If a person, after notice, is persistently disorderly and refuses to withdraw from the premises, the presiding officer town clerk may cause the person to be removed from the premises.~~

~~(2) The presiding officer town clerk shall designate an area within which the recount shall take place. Persons who are not board of civil authority members or appointed impartial election officers shall be permitted to view a recount in progress, but persons not authorized by the presiding officer town clerk shall not be permitted within the area designated by the presiding officer town clerk.~~

~~(3) Candidates and their attorneys shall be given the opportunity to present evidence to the board of civil authority relating to the conduct of the~~

~~recount. If the board determines that any violations of recount procedures have occurred and that they may have affected the outcome of the recount, a new recount shall be ordered. After such hearings or arguments as may be indicated under the circumstances, the board, within five working days, shall issue a judgment, which shall supersede any certificate of election previously issued and shall return to the town clerk questionable ballots which had been forwarded to the board.~~

(i) After the recount.

~~(1)(A) If Except as provided in subdivision (B) of this subdivision (1), if the recount results in a tie, the board of civil authority shall order a recessed election to be held, within three weeks of the recount, on a date set by the board. The only candidates who shall appear on the ballot at the recessed election shall be those who tied in the previous election. The recessed election shall be considered a separate election for the purpose of voter registration under chapter 43 of this title a runoff election shall be conducted in accordance with section 2682b of this chapter.~~

(B) If the recount confirms a tie; as to any public question, ~~no~~ a new election shall not be held, and the question shall be certified not to have passed.

~~(C) Warnings for a recessed election shall be posted as required by this chapter, except that the warnings shall be posted not less than 10 days before the recessed election. The conduct of a recessed election shall be as provided in this chapter for local elections.~~

~~(2) The town clerk shall send a certified copy of the judgment to the Secretary of State.~~

* * * Local Office Vacancies * * *

Sec. 60. 24 V.S.A. § 963 is amended to read:

§ 963. DUTIES OF ~~SELECTPERSONS~~ SELECTBOARD; SPECIAL MEETING

(a) When a vacancy occurs in any town office, the ~~selectpersons~~ selectboard forthwith by appointment in writing shall fill such vacancy until an election is had; except that in the event of vacancies in a majority of the selectboard at the same time, such vacancies shall be filled by a special town meeting called for that purpose.

(b) ~~Such~~ The selectboard shall file an appointment ~~shall be filed by them~~ made under this section in the office of the town clerk and the town clerk shall ~~duly recorded by the town clerk~~ record it in the book of town records.

(c) If there are no ~~selectpersons~~ selectboard members in office, the Secretary of State shall call a special election to fill any vacancies and for that interim shall appoint and authorize the town clerk or another qualified person to draw orders for payment of continuing obligations and necessary expenses until the vacancies are filled.

* * * Town or Village Reports * * *

Sec. 61. 24 V.S.A. § 1173 is amended to read:

§ 1173. TOWN OR VILLAGE REPORTS

The clerk of a municipality shall supply annually each library in such municipality with two copies of the municipal report, upon its publication. The clerk shall also send to the ~~State Library~~ Vermont State Archives and Records Administration one copy thereof, ~~and one copy each to the Secretary of State, Commissioner of Taxes, State Board of Health, Commissioner for Children and Families, Commissioner of Vermont Health Access, Auditor of Accounts, and Board of Education~~ in a manner prescribed by the State Archivist. Officers making these reports shall supply the clerk of the municipality with the copies necessary for him or her to comply with the provisions of this section and section 1174 of this title.

* * * Presidential Elections * * *

Sec. 62. 17 V.S.A. § 2702 is amended to read:

§ 2702. NOMINATING PETITION

(a) The name of any person shall be printed upon the primary ballot as a candidate for nomination by any major political party if petitions signed by at least 1,000 voters in accordance with sections 2353, 2354, and 2358 of this title are filed with the Secretary of State, together with the written consent of the person to the printing of the person's name on the ballot.

(b) Petitions shall be filed not later than 5:00 p.m. on the ~~first Monday after the first Tuesday~~ 15th day of January ~~December~~ preceding the primary election.

(c) The petition shall be in a form prescribed by the Secretary of State.

(d) A person's name shall not be listed as a candidate on the primary ballot of more than one party in the same election.

(e) Each petition shall be accompanied by a filing fee of \$2,000.00 to be paid to the Secretary of State. However, if the petition of a candidate is accompanied by the affidavit of the candidate, which shall be available for public inspection, that the candidate and the candidate's campaign committee are without sufficient funds to pay the filing fee, the Secretary of State shall waive all but \$300.00 of the payment of the filing fee by that candidate.

Sec. 63. 17 V.S.A. § 2716 is amended to read:

§ 2716. NOTIFICATION TO SECRETARY OF STATE

Not later than 5:00 p.m. on the ~~55th~~ 65th day before the day of the general election, the chair of the State committee of each major political party shall certify in writing to the Secretary of State the names of the presidential and vice presidential nominees selected at the party's national convention.

* * * Campaign Finance * * *

Sec. 64. 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. 65. 17 V.S.A. § 2944 is amended to read:

§ 2944. ACCOUNTABILITY FOR RELATED EXPENDITURES

(a) A related campaign expenditure made on a candidate's behalf shall be considered a contribution to the candidate on whose behalf it was made.

(b) As used in this section, a "related campaign expenditure made on the candidate's behalf" means any expenditure intended to promote the election of a specific candidate or group of candidates or the defeat of an opposing candidate or group of candidates, if intentionally facilitated by, solicited by, or approved by the candidate or the candidate's committee.

(c)(1) An expenditure made by a political party or by a political committee that recruits or endorses candidates that primarily benefits six or fewer candidates who are associated with the political party or political committee making the expenditure is presumed to be a related expenditure made on behalf

of those candidates, except that the acquisition, use, or dissemination of the images of those candidates by the political party or political committee shall not be presumed to be a related expenditure made on behalf of those candidates.

(2) An expenditure made by a political party or by a political committee that recruits or endorses candidates that substantially benefits more than six candidates and facilitates party or political committee functions, voter turnout, platform promotion, or organizational capacity shall not be presumed to be a related expenditure made on a candidate's behalf.

(d)(4) As used in this section, an expenditure by a person shall not be considered a "related expenditure made on the candidate's behalf" if ~~all~~:

(1)(A) All of the following apply:

~~(A)~~(i) the expenditure was made in connection with a campaign event whose purpose was to provide a group of voters with the opportunity to meet a candidate;

~~(B)~~(ii) the expenditure was made for:

~~(i)~~(I) invitations and any postage for those invitations to invite voters to the event; or

~~(ii)~~(II) any food or beverages consumed at the event and any related supplies thereof; and

~~(C)~~(iii) the cumulative value of any expenditure by the person made under this subsection does not exceed \$500.00 per event.

(2)(B) For the purposes of this subsection subdivision (1):

~~(A)~~(i) if the cumulative value of any expenditure by a person made under this subsection exceeds \$500.00 per event, the amount equal to the difference between the two shall be considered a "related expenditure made on the candidate's behalf"; and

~~(B)~~(ii) any reimbursement to the person by the candidate for the costs of the expenditure shall be subtracted from the cumulative value of the expenditures.

(2) All of the following apply:

(A) the expenditure is for an electioneering communication that promotes or supports all of the candidates who are named or pictured in it and no other candidates, and those candidates named or pictured:

(i) have filed or been nominated as described in subdivision 2901(1)(B) of this chapter for a legislative, county, or local office;

(ii) are on the same ballot for the same election; and

(iii) each make an expenditure for the electioneering communication of an equal amount in order to share the cost of the electioneering communication equally; and

(B) no other person has made an expenditure for the electioneering communication.

(e)(1) A candidate may seek a determination that an expenditure is a related expenditure made on behalf of an opposing candidate by filing a petition with the Superior Court of the county in which either candidate resides.

(2) Within 24 hours of the filing of a petition, the ~~Court~~ court shall schedule the petition for hearing. Except as to cases the ~~Court~~ court considers of greater importance, proceedings before the Superior Court, as authorized by this section, and appeals from there take precedence on the docket over all other cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

(3) The findings and determination of the ~~Court~~ court shall be prima facie evidence in any proceedings brought for violation of this chapter.

(f) The Secretary of State may adopt rules necessary to administer the provisions of this section.

Sec. 67. 17 V.S.A. § 2973 is amended to read:

§ 2973. SPECIFIC IDENTIFICATION REQUIREMENTS FOR RADIO,
TELEVISION, OR INTERNET COMMUNICATIONS

(a) In addition to the identification requirements set forth in section 2972 of this subchapter, a person, candidate, political committee, or political party that makes an expenditure for an electioneering communication shall include in any communication ~~which~~ that is transmitted through radio, television, or online video, in a clearly spoken manner, an audio statement of the name and title of the person who paid for the communication and that the person paid for the communication.

(b) If the person who paid for the communication is not a natural person, the audio statement required by this section shall include the name of that non-natural person and the name and title of the treasurer, in the case of a candidate's committee, political committee or political party, or the principal officer, in the case of the any other non-natural person.

* * * Effective Date * * *

Sec. 68. EFFECTIVE DATE

This act shall take effect on July 1, 2017.

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

An act relating to miscellaneous amendments to election law.

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 proposal of amendment was agreed to.

Thereupon, pending the question, Shall the bill be read third time?, Senators Sears, Mazza, Campion and Flory moved to amend the Senate proposal of amendment as follows:

First: By adding a new section to be numbered Sec. 20a to read as follows:

Sec. 20a. 17 V.S.A. § 2457a is added to read:

§ 2457a. TOWN CLERKS; ELECTION-RELATED FUNCTIONS ON DAY
PRECEDING ELECTION

(a) Notwithstanding any provision of law to the contrary, a town clerk shall have the discretion to not perform certain election-related functions, including accepting voter registration applications, processing applications for early voter absentee ballots, and holding early voting in the town clerk's office, on the day preceding an election.

(b) A town clerk who does not intend to perform certain election-related functions on the day preceding the election shall post notice of that intention in the town clerk's office at least 14 days preceding the date of the election. The notice shall specify the election-related functions that will not be available on the day preceding the election.

Second: By adding a new section to be numbered Sec. 3a to read as follows:

Sec. 3a. 17 V.S.A. § 2144 is amended to read:

§ 2144. SUBMITTING APPLICATIONS

(a) On any day other than the day of an election, the town clerk shall accept a person's application for his or her name to be placed on the checklist at the town clerk's office during all normal business hours, except that if the town clerk is not accepting voter registration applications on the day preceding the election in accordance with section 2457a of this title, the town clerk shall accept the person's application during all normal business hours on days preceding that day.

* * *

Third: In Sec. 26, 17 V.S.A. § 2531 (application for early voter absentee ballot), in subsection (a), by striking out subdivision (a)(2) in its entirety and inserting in lieu thereof the following:

(2) If a town clerk's office will not be open on the day preceding the election, or if the town clerk is not processing applications for early voter absentee ballots on that day in accordance with section 2457a of this title, an application may be filed until the closing of the clerk's office on the last day preceding the election that the office has hours and is processing those applications.

Fourth: In Sec. 28, 17 V.S.A. § 2537 (early or absentee voting in the town clerk's office), in subsection (a), by adding a new subdivision (4) to read as follows:

(4) The ability to apply and vote in the town clerk's office as provided in this subsection shall not apply on the day preceding the election if the town clerk is not holding early voting in the clerk's office on that day in accordance with section 2457a of this title.

Which was disagreed to on a division of the Senate Yeas 11, Nays 16.

Thereupon, third reading of the bill was ordered.

**House Proposal of Amendment to Senate Proposal of Amendment
Concurred In**

S. 23.

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

An act relating to juvenile jurisdiction.

Was taken up.

The House proposes to the Senate to amend the Senate proposal of amendment as follows:

In Sec. 5, 33 V.S.A. chapter 52A § 5283(c), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) All youthful offender proceedings shall be confidential.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

House Proposals of Amendment; Bill Committed**S. 130.**

House proposals of amendment to Senate bill entitled:

An act relating to miscellaneous changes to education laws.

Were taken up.

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

First: By striking out Sec. 2 (Educational and Training Programs for College Credit), Sec. 3 (Student Enrollment; Small School Grant), Secs. 6–8 (speech-language pathologists), and Sec. 19 (Effective Dates) with their reader assistances, in their entirety.

Second: By renumbering the remaining sections to be numerically correct.

Third: By adding eight new sections, to be Secs. 14, 15, 16, 17, 18, 19, 20, and 21, with reader assistances, to read:

* * * Criminal Record Checks * * *

Sec. 14. 16 V.S.A. § 255 (k) and (l) are added to read:

(k) The requirements of this section shall not apply to persons operating or employed by a child care facility that is prequalified to provide prekindergarten education pursuant to section 829 of this title and that is required to be licensed by the Department for Children and Families pursuant to 33 V.S.A § 3502.

(l) The requirements of this section shall not apply with respect to a school district's partners in any program authorized or student placement created by chapter 23, subchapter 2 of this title. It is provided, however, that superintendents are not prohibited from requiring a fingerprint supported record check pursuant to district policy with respect to its partners in such programs.

Sec. 15. [Deleted.]

* * *

* * * Education Weighting Report * * *

Sec. 16. EDUCATION WEIGHTING REPORT

(a) The Agency of Education, the Joint Fiscal Office, and the Office of Legislative Council, in consultation with the Secretary of Human Services, the Vermont Superintendent's Association, the Vermont School Boards Association, and the Vermont National Education Association, shall consider and make recommendations on the criteria used for determining weighted

long-term membership of a school district under 16 V.S.A. § 4010, including the following.

(1) The current weighting factors and any supporting evidence or basis in the historical record for these factors.

(2) The relationship between each of the current weighting factors and the quality and equity of educational outcomes for students.

(3) Whether any of the weighting factors, including the weighting factors for students from economically deprived backgrounds and for students for whom English is not the primary language, should be modified, and if so, how the weighting factors should be modified and if the modification would further the quality and equity of educational outcomes for students.

(4) Whether to add any weighting factors, including a school district population density factor, and if so, why the weighting factor should be added and if the weighting factor would further the quality and equity of educational outcomes for students. In considering whether to recommend the addition of a school district population density factor, the Agency of Education shall consider the practices of other states, information from the National Council for State Legislatures, and research conducted by higher education institutions working on identifying rural or urban education financing factors.

(b) In addition to considering and making recommendations on the criteria used for the determining weighted long-term membership of a school district under subsection (a) of this section, the Agency of Education may consider and make recommendations on other methods that would further the quality and equity of educational outcomes for students.

(c) Report. On or before December 15, 2017, the Agency of Education shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with its findings and any recommendations.

* * * Surety Bond; Postsecondary Institutions * * *

Sec. 17. 16 V.S.A. § 175 is amended to read:

§ 175. POSTSECONDARY EDUCATIONAL INSTITUTIONS; CLOSING

(a) When an institution of higher education, whether or not chartered in this State, proposes to discontinue the regular course of instruction, either permanently or for a temporary period other than a customary vacation period, the institution shall:

(1) promptly inform the State Board;

(2) prepare the academic record of each current and former student in a form satisfactory to the State Board and including interpretive information required by the Board; and

(3) deliver the records to a person designated by the State Board to act as permanent repository for the institution's records, together with the reasonable cost of entering and maintaining the records.

* * *

(e) When an institution of higher education is unable or unwilling to comply with the requirements of subsection (a) of this section, the State Board may expend State funds necessary to ensure the proper storage and availability of the institution's records. The Attorney General shall then seek recovery under this subsection, in the name of the State, of all of the State's incurred costs and expenses, including attorney's fees, arising from the failure to comply. Claims under this subsection shall be a lien on all the property of a defaulting institution, until all claims under this subsection are satisfied. The lien shall take effect from the date of filing notice thereof in the records of the town or towns where property of the defaulting institution is located.

* * *

(g)(1) Each institution of higher education accredited in Vermont, except institutions that are members of the Association of Vermont Independent Colleges (AVIC), the University of Vermont, and the Vermont State Colleges, shall acquire and maintain a bond from a corporate surety licensed to do business in Vermont in the amount of \$50,000.00 to cover costs that may be incurred by the State under subsection (e) of this section due to the institution's failure to comply with the requirements of subsection (a) of this section, and the institution shall provide evidence of the bond to the Secretary within 30 days of receipt. The State shall be entitled to recover up to the full amount of the bond in addition to the other remedies provided in subsection (e) of this section.

(2) AVIC shall maintain a memorandum of understanding with each of its member colleges under which each member college agrees to:

(A) upon the request of AVIC, properly administer the student records of a member college that fails to comply with the requirements of subsection (a) of this section; and

(B) contribute on an equitable basis and in a manner determined in the sole discretion of AVIC to the costs of another AVIC member or other entity selected by AVIC maintaining the records of a member college that fails to comply with the requirements of subsection (a) of this section.

Sec. 18. [Deleted.]

Sec. 19. [Deleted.]

* * * Prekindergarten Education Recommendations * * *

Sec. 20. PREKINDERGARTEN EDUCATION RECOMMENDATIONS

On or before November 1, 2017, the Secretaries of Human Services and of Education shall jointly present recommendations to the House and Senate Committees on Education, House Committee on Human Services, and Senate Committee on Health and Welfare that will ensure equity, quality, and affordability, and reduce duplication and complexity, in the current delivery of prekindergarten services.

* * * High School Completion Program * * *

Sec. 21. 16 V.S.A. § 942(6) is amended to read:

(6) ~~“Contracting agency”~~ “Local adult education and literacy provider” means an entity that ~~enters into a contract with the Agency to provide “flexible pathways to graduation” services itself or in conjunction with one or more approved providers in Vermont~~ is awarded Federal or State grant funds to conduct adult education and literacy activities.

Sec. 22. 16 V.S.A. § 943 is amended to read:

§ 943. HIGH SCHOOL COMPLETION PROGRAM

(a) There is created a High School Completion Program to be a potential component of a flexible pathway for any Vermont student who is at least 16 years ~~old~~ of age, who has not received a high school diploma, and who may or may not be enrolled in a public or approved independent school.

(b) If a person who wishes to work on a personalized learning plan leading to graduation through the High School Completion Program is not enrolled in a public or approved independent school, then the Secretary shall assign the prospective student to a high school district, which shall be the district of residence whenever possible. The school district in which a student is enrolled or to which a nonenrolled student is assigned shall work with the ~~contracting agency~~ local adult education and literacy provider that serves the high school district and the student to develop a personalized learning plan. The school district shall award a high school diploma upon successful completion of the plan.

(c) The Secretary shall reimburse, and net cash payments where possible, a school district that has agreed to a personalized learning plan developed under this section in an amount:

(1) established by the Secretary for the development and ongoing evaluation and revision of the personalized learning plan and for other

educational services typically provided by the assigned district or an approved independent school pursuant to the plan, such as counseling, health services, participation in cocurricular activities, and participation in academic or other courses; provided, however, that this amount shall not be available to a school district that provides services under this section to an enrolled student; and

(2) negotiated by the Secretary and the ~~contracting agency~~ local adult education and literacy provider, with the approved provider, for services and outcomes purchased from the approved provider on behalf of the student pursuant to the personalized learning plan.

* * * Effective Dates * * *

Sec. 23. EFFECTIVE DATES

(a) This section, Secs. 1–7, 9–13, 16, and 20–22 shall take effect on passage.

(b) Sec. 8 (State-placed students) shall take effect beginning with the 2017–2018 school year.

(c) Sec. 14 (criminal record checks) shall take effect on passage and shall apply to persons hired or contracted with after June 30, 2017 and to persons who apply for or renew child care provider license after June 30, 2017.

(d) Sec. 17 (surety bond; postsecondary institutions) shall take effect on October 1, 2017.

Thereupon, pending the question Shall the Senate concur in the House proposal of amendment?, on motion of Senator Baruth, the bill was committed to the Committee on Education.

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 145.

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

An act relating to establishing the Mental Health Crisis Response Commission.

Was taken up.

The House concurs in the Senate proposal of amendment of amendment with further amendment thereto as follows:

In Sec. 1, 18 V.S.A. § 7257a, subdivision (b)(1), by striking out the last sentence and inserting in lieu thereof the following: “Interactions not resulting in death or serious bodily injury may be referred for optional review to the Commission, including review of interactions with positive outcomes that could serve to provide guidance on effective strategies. A law enforcement officer or mental health crisis responder involved in such an interaction is encouraged to refer it to the Commission.”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Rules Suspended; Bill Messaged

H. 494.

Senator Mazza, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate Proposal of Amendment, and that the bill be further amended in Sec. 7 (Transportation Alternatives Grant Program), by striking out subsection (f) in its entirety and inserting in lieu thereof the following:

(f)(1) In fiscal years 2018 and 2019, all Grant Program funds shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.

(2) In fiscal years 2020 and 2021, Grant Program funds shall be awarded for any eligible activity and in accordance with the priorities established in subdivision (4) of this subsection.

(3) Each In fiscal year 2022 and thereafter, \$1,100,000.00 of Grant Program funds, or such lesser sum if all eligible applications amount to less than \$1,100,000.00, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects.

(4) Regarding Grant Program funds awarded in fiscal years 2020 and 2021, and the balance of Grant Program funds not reserved for environmental mitigation projects in fiscal year 2022 and thereafter, in evaluating applications for Transportation Alternatives grants, the Transportation Alternatives Grant Committee shall give preferential weighting to projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Transportation Alternatives Grant Committee.

*RICHARD T. MAZZA
RICHARD A. WESTMAN
DUSTIN ALLARD DEGREE*

Committee on the part of the Senate

*PATRICK M. BRENNAN
DAVID E. POTTER
CLEMENT J. BISSONNETTE*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

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

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 Reps. Young and others,

By Senators Rodgers and Starr,

H.C.R. 140.

House concurrent resolution congratulating the 2016 Lake Region Union High School Rangers Division II championship boys' soccer team.

By All Members of the House,

H.C.R. 141.

House concurrent resolution in memory of former Representative Sam Lloyd of Weston.

By Rep. Olsen,

By Senators Balint, Clarkson, McCormack, Nitka and White,

H.C.R. 142.

House concurrent resolution honoring skiing photographer and photojournalist extraordinaire Hubert Schriebl.

By Reps. Young and others,

By Senators Rodgers and Starr,

H.C.R. 143.

House concurrent resolution in memory of Leland Kinsey, the poet laureate of the Northeast Kingdom.

By Reps. Wood and others,

H.C.R. 144.

House concurrent resolution designating the second full week of May 2017 as Women's Lung Health Week in Vermont.

By Reps. Stuart and others,

By Senators Balint and White,

H.C.R. 145.

House concurrent resolution congratulating the New England Center for Circus Arts on its 10th anniversary and its cofounders, Elsie Smith and Serenity Smith Forchion, on winning the 2016 Walter Cerf Medal for Outstanding Achievement in the Arts.

By Reps. Yantachka and others,

By Senators Ingram and Lyons,

H.C.R. 146.

House concurrent resolution congratulating the Champlain Valley Union High School Redhawks on a winning a fourth consecutive girls' volleyball State championship.

By Reps. Sullivan and others,

H.C.R. 147.

House concurrent resolution commemorating the 100th anniversary of the occupational therapy profession.

By Reps. Wood and others,

H.C.R. 148.

House concurrent resolution in memory of Edward E. Steele of Waterbury.

By All Members of the House,

By All Members of the Senate,

H.C.R. 149.

House concurrent resolution honoring Capitol Police Chief Leslie Robert Dimick for his outstanding public safety career achievements.

By Reps. Brumsted and others,

H.C.R. 150.

House concurrent resolution congratulating Helmut Lenes on being named the 2017 David K. Hakins Inductee into the Vermont Sports Hall of Fame.

By Reps. Olsen and others,

By Senators Balint and White,

H.C.R. 151.

House concurrent resolution honoring Tom Connor for his dynamic educational leadership and as director of the Journey East curriculum at Leland & Gray Middle and High School.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 152.

House concurrent resolution congratulating Erwin Mattison on the 60th anniversary of his exemplary Bennington Fire Department service.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 153.

House concurrent resolution congratulating Richard Knapp on a half-century of outstanding firefighting service and leadership with the Bennington Fire Department.