Bill Passed

Senate bill entitled:

S. 175. An act relating to the wholesale importation of prescription drugs into Vermont, bulk purchasing, and the impact of prescription drug costs on health insurance premiums.

Was read the third time and passed on a roll call, Yeas 30, Nays 0.

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: Ashe, Ayer, Balint, Baruth, Benning, Branagan, Bray, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Bill Amended; Bill Passed

S. 221.

Senate bill entitled:

An act relating to establishing extreme risk protection orders.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the bill in Sec. 1, 13 V.S.A. chapter 85, in section 4058, in subsection (b), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2) A person who files a petition for an extreme risk protection order under this subchapter, or who submits an affidavit accompanying the petition, knowing that information in the petition or the affidavit is false, or that the petition or affidavit is submitted with the intent to harass the respondent, shall be imprisoned for not more than one year or fined not more than $1,000.00, or both.

Which was agreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senator Sears moved to amend the bill in Sec. 1, 13 V.S.A. chapter 85, in section 4059, in subdivision (e)(2)(A)(i), after the word "ownership" by

inserting the following: , except that the Vermont State Police shall follow the procedure described in 20 V.S.A. § 2305

Which was agreed to.

Thereupon, the bill was read the third time and passed 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, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Bill Passed

S. 282.

Senate bill of the following title was read the third time and passed:

An act relating to health care providers participating in Vermont's Medicaid program.

Bill Amended; Third Reading Ordered

S. 55.

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

An act relating to territorial jurisdiction over regulated drug sales.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 20 V.S.A. § 2301 is amended to read:

§ 2301. APPLICABILITY OF CHAPTER

Notwithstanding any other provisions of law relating to the retention and disposition of evidence or lost, unclaimed, or abandoned property, the provisions of this chapter shall govern the retention or disposition, or both, of unlawful firearms~~, as defined in section 2302 of this title,~~ in the possession of any agency~~, as defined in section 2302~~ and the disposition of abandoned firearms in the possession of the Department of Public Safety.

Sec. 2. 20 V.S.A. § 2302 is amended to read:

§ 2302. UNLAWFUL FIREARMS; AGENCY

~~(a) For purposes of~~ As used in this chapter~~,~~:

(1) "~~unlawful~~ Unlawful firearms" means firearms the possession of which constitutes a violation of federal or ~~state~~ State law and firearms carried or used in violation of any federal or ~~state~~ State law or in the commission of any federal or ~~state~~ State felony.

~~(b) For purposes of this chapter, "agency"~~ (2) "Agency" means any ~~state~~ State or local law enforcement agency, any state agency except the Vermont ~~fish and wildlife department~~ Department of Fish and Wildlife, and any local government entity.

(3) "Unlawful per se" means firearms the possession of which is unlawful under any circumstances under State or federal law.

(4) "Abandoned firearms" means firearms in the possession of the Department of Public Safety that are no longer needed as evidence and remain unclaimed for more than 18 months from the date the firearms come into the Department's possession.

Sec. 3. 20 V.S.A. § 2305 is amended to read:

§ 2305. DISPOSITION OF UNLAWFUL FIREARMS

(a) Any ~~unlawful~~ firearm ~~which the commissioner of public safety determines to be unsafe or~~ the possession of which is unlawful per se shall either be destroyed, or if the ~~commissioner of public safety~~ Commissioner of Public Safety deems ~~such to be~~ it appropriate, retained by the ~~department of public safety~~ Department of Public Safety for purposes of forensic science reference. In no event shall the ~~commissioner of public safety~~ Commissioner of Public Safety dispose of such ~~an unlawful~~ a firearm in any other manner or to any other person.

(b)(1) Except as provided in section 2306 of this title, all ~~other~~ unlawful and abandoned firearms shall either be:

(A) delivered to the ~~state treasurer~~ Commissioner of Buildings and General Services as directed by him or her for ~~disposition by public sale pursuant to the provisions of chapter 13 of Title 27, or by such other manner of sale deemed appropriate by the state treasurer, or~~ sale to a federally licensed firearms dealer pursuant to the Commissioner's authority under Title 29;

(B) at the discretion of the ~~state treasurer~~ Commissioner of Buildings and General Services, ~~donated to a governmental agency or to a nonprofit~~

~~organization upon the recommendation of the commissioner of fish and wildlife,~~ transferred to the Commissioner of Fish and Wildlife for disposition; or~~,~~

(C) if the ~~commissioner of public safety~~ Commissioner of Public Safety deems ~~such to be~~ it appropriate, retained by the ~~department of public safety~~ Department of Public Safety for purposes of forensic science reference.

(2) Notwithstanding ~~the foregoing provision~~ subdivision (1) of this subsection, an unlawful firearm used in the commission of a homicide shall not be delivered to the ~~state treasurer~~ Commissioner of Buildings and General Services ~~for disposition by public sale~~, but shall be disposed of only in accordance with:

(A) the provisions of subsection (a) of this section in the same manner as unlawful per se firearms; or

(B) section 2306 of this title.

(c) When the firearms sold under this section have been delivered ~~to the commissioner of public safety~~ by a local law enforcement agency, the ~~state treasurer~~ Commissioner of Buildings and General Services shall return two-thirds of the net proceeds from the sale to the appropriate municipality. The remaining proceeds shall be allocated pursuant to the authority of the Commissioner of Buildings and General Services under 29 V.S.A. § 1557.

(d) No State agency or department or State official shall be subject to any civil, criminal, administrative, or regulatory liability for any act taken or omission made in reliance on the provisions of this chapter.

Sec. 4. 20 V.S.A. § 2306 is amended to read:

§ 2306. RIGHTS OF INNOCENT OWNER

Nothing contained in subsection 2305(b) of this title shall prejudice the rights of the bona fide owner of any unlawful firearm, the disposition of which is governed by that subsection, upon affirmative proof by him or her that he or she had no express or implied knowledge that such unlawful firearm was being or intended to be used illegally or for illegal purposes. If the bona fide owner provides reasonable and satisfactory proof of his or her ownership and of his or her lack of express or implied knowledge to the ~~commissioner of public safety~~ Commissioner of Public Safety, the unlawful firearm shall be returned to him or her. If the ~~commissioner of public safety~~ Commissioner of Public Safety determines that the proof offered is not satisfactory or reasonable, the person may, within 14 days, request a hearing before the ~~state treasurer~~ Commissioner of Buildings and General Services and the ~~commissioner of public safety~~ Commissioner of Public Safety, jointly. The ~~state treasurer~~

Commissioner of Buildings and General Services and the ~~commissioner of public safety~~ Commissioner of Public Safety shall promptly hold a hearing on any claim filed under this section, in accordance with the provisions for contested cases in 3 V.S.A. chapter 25 ~~of Title 3~~.

Sec. 5. 20 V.S.A. § 2307 is amended to read:

§ 2307. FIREARMS RELINQUISHED PURSUANT TO RELIEF FROM ABUSE ORDER; STORAGE; FEES; RETURN

* * *

(2)(A)(i) If the owner fails to retrieve the firearm, ammunition, or weapon and pay the applicable storage fee within 90 days of the court order releasing the items, the firearm, ammunition, or weapon may be sold for fair market value. Title to the items shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in section 2305 of this title.

* * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to the disposition of unlawful and abandoned firearms.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be read third time?, Senators Baruth, Sirotkin, Clarkson, Ingram, Lyons, McCormack, Pearson, Ashe, Ayer, Balint and Brooks moved to amend the bill by adding a new Sec. 6 to read as follows:

Sec. 6. 13 V.S.A. § 4019 is added to read:

§ 4019. FIREARMS TRANSFERS; BACKGROUND CHECKS

(a) As used in this section:

(1) "Firearm" shall have the same meaning as in subdivision 4016(a)(3) of this title.

(2) "Immediate family member" means a spouse, parent, stepparent, child, stepchild, sibling, stepsibling, grandparent, or grandchild.

(3) "Law enforcement officer" shall have the same meaning as in subdivision 4016(a)(4) of this title.

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

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

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

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

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

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

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

(B) the licensed dealer agrees to facilitate the transfer and determines that the proposed transferee is not prohibited by State or federal law from purchasing or possessing the firearm.

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

(c)(1) A licensed dealer who agrees to facilitate a firearm transfer pursuant to this section shall comply with all requirements of State and federal law and shall, unless otherwise expressly provided in this section, conduct the transfer in the same manner as the licensed dealer would if selling the firearm from his or her own inventory.

(2) A licensed dealer shall return the firearm to the proposed transferor and decline to continue facilitating the transfer if the licensed dealer determines that the proposed transferee is prohibited by federal or State law from purchasing or possessing the firearm.

(3) A licensed dealer may charge a reasonable fee to facilitate the transfer of a firearm between a proposed transferor and a proposed transferee pursuant to this section.

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

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

(e) This section shall not apply to:

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

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

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

And by renumbering the original Sec. 6, effective date, to be Sec. 7

Thereupon, pending the question, Shall the bill be amended as moved by Senators Baruth, Sirotkin, Clarkson, Ingram, Lyons, McCormack, Pearson, Ashe, Ayer, Balint and Brooks? Senator Rodgers raised a *point of order* under Sec. 402 of Mason's Manual of Legislative Procedure on the grounds that the recommendation of amendment offered by Senators Baruth, Sirotkin, Clarkson, Ingram, Lyons, McCormack, Pearson, Ashe, Ayer, Balint and Brooks was *not germane* to the bill and therefore could not be considered by the Senate.

The President *overruled* the point of order and ruled that the recommendation of amendment was *germane* in that they related to the subject matter of the bill.

Thereupon, the recommendation of amendment was agreed to on a roll call, Yeas 17, Nays 13.

Senator Baruth 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, Ingram, Lyons, MacDonald, McCormack, Pearson, Pollina, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Branagan, Brock, Collamore, Flory, Kitchel, Mazza, Nitka, Rodgers, Sears, Soucy, Starr, Westman.

Thereupon, third reading of the bill was ordered.

Bills Amended; Third Readings Ordered

S. 216.

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

An act relating to the administration of Vermont's Medical Marijuana Registry.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4230e is amended 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~~ not 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)(A) 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.

(B) A person may not cultivate marijuana pursuant to this section if a registered medical marijuana patient or caregiver cultivates marijuana in the same dwelling unit pursuant to chapter 86 of this title.

(C) 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.

* * *

Sec. 2. 18 V.S.A. § 4230f(f) is amended to read:

(f) This section shall not apply to a dispensary that lawfully provides marijuana to a registered patient or caregiver or a registered caregiver who provides marijuana to a registered patient pursuant to chapter 86 of this title.

Sec. 3. 18 V.S.A. § 4472 is amended to read:

§ 4472. DEFINITIONS

* * *

(4) "Debilitating medical condition" means:

(A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, glaucoma, Crohn's disease, Parkinson's disease, or the treatment of these conditions, if the disease or the treatment results in severe, persistent, and intractable symptoms;

(B) post-traumatic stress disorder, provided the Department confirms the applicant is undergoing psychotherapy or counseling with a licensed mental health care provider; or

(C) ~~a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome; chronic pain; severe nausea; or seizures~~ another disease, condition, or treatment as determined in writing by a qualifying patient's health care professional as defined in subdivision (7) of this section.

* * *

Sec. 4. 18 V.S.A. § 4474c is amended to read:

§ 4474c. PROHIBITIONS, RESTRICTIONS, AND LIMITATIONS REGARDING THE USE OF MARIJUANA FOR SYMPTOM RELIEF

* * *

(c) ~~A registered patient or registered caregiver who elects to grow marijuana to be used for symptom relief by the patient may do so only if the marijuana is cultivated in a single, secure indoor facility~~ Personal cultivation of marijuana by a patient or caregiver on behalf of a patient only shall occur:

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

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

(d) ~~A registered patient or registered caregiver may not transport marijuana in public unless it is secured in a locked container.~~ [Repealed.]

* * *

(g) The use of marijuana by a registered patient shall not be the sole factor disqualifying the patient from any needed medical procedure or treatment, including organ and tissue transplants.

Sec. 5. 18 V.S.A. § 4474e is amended to read:

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

(a) A dispensary registered under this section may:

(1) Acquire, possess, cultivate, manufacture, test, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief.

* * *

(3)(A) Cultivate and possess at any one time up to 28 mature marijuana plants, 98 immature marijuana plants, and 28 ounces of usable marijuana. However, if a dispensary is designated by more than 14 registered patients, the dispensary may cultivate and possess at any one time ~~two~~ three mature marijuana plants, seven immature plants, and four ounces of usable marijuana for every registered patient for which the dispensary serves as the designated dispensary.

* * *

(d)(1) A dispensary shall implement appropriate security measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana and shall ensure that each location has an operational security alarm system. All cultivation of marijuana shall take place in a secure, locked facility which is either indoors or outdoors, but not visible to the public and that can only be accessed by the owners, principals, financiers, and employees of the dispensary who have valid Registry identification cards. An outdoor facility is not required to have a roof, provided all other requirements are met. The Department shall perform an annual on-site assessment of each dispensary and may perform on-site assessments of a dispensary without limitation for the purpose of determining compliance with this subchapter and any rules adopted pursuant to this subchapter and may enter a dispensary at any time for such purpose. During an inspection, the Department may review the dispensary's confidential records, including its dispensing records, which shall track transactions according to registered patients' Registry identification numbers to protect their confidentiality.

(2)(A) A registered patient or registered caregiver may obtain marijuana from the dispensary by appointment only.

(B) A dispensary may deliver marijuana to a registered patient or registered caregiver. The marijuana shall be transported in a locked container.

(3) The operating documents of a dispensary shall include procedures for the oversight of the dispensary and procedures to ensure accurate record-keeping.

(4) A dispensary shall submit the results of a financial audit to the Department of Public Safety ~~no~~ not later than ~~60~~ 90 days after the end of the dispensary's first fiscal year, and every other year thereafter. The audit shall be conducted by an independent certified public accountant, and the costs of any such audit shall be borne by the dispensary. The Department may also periodically require, within its discretion, the audit of a dispensary's financial records by the Department.

* * *

(n) Nothing in this subchapter shall prevent a dispensary from acquiring, possessing, cultivating, manufacturing, testing, transferring, transporting, supplying, selling, and dispensing hemp and hemp-infused products ~~for symptom relief~~. "Hemp" shall have the same meaning as provided in 6 V.S.A. § 562. A dispensary shall not be required to comply with the provisions of 6 V.S.A. chapter 34.

Sec. 6. 18 V.S.A. § 4474g is amended to read:

§ 4474g. DISPENSARY REGISTRY IDENTIFICATION CARD; CRIMINAL BACKGROUND CHECK

(a) ~~Except as provided in subsection (b) of this section, the~~ The Department shall issue each owner, principal, financier, and employee of a dispensary a Registry identification card or renewal card within 30 days ~~of~~ after receipt of the person's name, address, and date of birth and a fee of $50.00. The fee shall be paid by the dispensary and the cost shall not be passed on to an owner, principal, financier, or employee. ~~A~~ Except as provided by subdivision (b)(2) of this section, a person shall not serve as an owner, principal, financier, or employee of a dispensary until that person has received a Registry identification card issued under this section. Each card shall specify whether the cardholder is an owner, principal, financier, or employee of a dispensary and shall contain the following:

(1) the name, address, and date of birth of the person;

(2) the legal name of the dispensary with which the person is affiliated;

(3) a random identification number that is unique to the person;

(4) the date of issuance and the expiration date of the Registry identification card; and

(5) a photograph of the person.

(b)(1) Prior to acting on an application for a Registry identification card, the Department shall obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Each applicant shall consent to the release of criminal history records to the Department on forms developed by the Vermont Crime Information Center.

(2) Once a Registry card application has been submitted, a person may serve as an owner, principal, financier, or employee of a dispensary pending the background check, provided the person is supervised in his or her duties by someone who is a cardholder. The Department shall issue a temporary permit to the person for this purpose, which shall expire upon the issuance of the Registry card or disqualification of the person in accordance with this section.

* * *

Sec. 7. 18 V.S.A. § 4474m is amended to read:

§ 4474m. ~~DEPARTMENT OF PUBLIC SAFETY;~~ PROVISION OF EDUCATIONAL AND SAFETY INFORMATION

The Department of Public Safety shall provide educational and safety information developed by the Vermont Department of Health, in consultation with dispensaries, to each registered patient upon registration pursuant to section 4473 of this title, and to each registered caregiver upon registration pursuant to section 4474 of this title.

Sec. 8. 18 V.S.A. § 4474n is added to read:

§ 4474n. TESTING BY THE AGENCY OF AGRICULTURE, FOOD AND MARKETS

The Agency of Agriculture, Food and Markets shall establish a cannabis quality control program for the following purposes:

(1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, marijuana, and marijuana-infused products;

(2) to verify cannabinoid label guarantees of hemp, hemp-infused products, marijuana, and marijuana-infused products;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, marijuana, and marijuana-infused products; and

(4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this section.

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 3-8 shall take effect July 1, 2018.

(b) Secs. 1 and 2 shall take effect July 2, 2018.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senators White and Sears moved to amend the recommendation of the Committee on Judiciary as follows:

First: By striking out Sec. 1 in its entirety and inserting in lieu thereof the following:

Sec. 1. [Deleted.]

Second: In Sec. 9, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) Sec. 2 shall take effect on July 2, 2018.

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senators Ingram, Lyons and Cummings moved to amend the bill as follows:

First: By striking out Sec. 3 in its entirety and inserting in lieu thereof the following:

Sec. 3. [Deleted.]

Second: In Sec. 9, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) This section and Secs. 4-8 shall take effect on July 1, 2018.

Which was disagreed to.

Thereupon, the recommendation of amendment of the Committee on Judiciary, as amended was agreed to and third reading of the bill was ordered.

Adjournment

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

FRIDAY, MARCH 2, 2018

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. 25

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. 199. An act relating to reinstating legislative members to the Commission on Alzheimer's Disease and Related Disorders.

H. 608. An act relating to creating an Older Vermonters Act working group.

H. 638. An act relating to increasing the number of examiners on the Board of Bar Examiners from nine to 11 members.

H. 718. An act relating to creation of the Restorative Justice Study Committee.

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

Bills Referred to Committee on Finance

Senate 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:

S. 204. An act relating to the registration of short-term rentals.

S. 257. An act relating to miscellaneous changes to education law.

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:

Bailey, Richard of Hyde Park - Member of the Transportation Board - from March 1, 2018 to February 28, 2021.

To the Committee on Transportation.

Coen, David of Shelburne - Chair of the Transportation Board - from March 1, 2018 to February 28, 2021.

To the Committee on Transportation.

Billings, Jireh of Bridgewater - Member of the Capitol Complex Commission - from March 1, 2018 to February 28, 2021.

To the Committee on Institutions.

Christie, Kevin of White River Junction - Chair of the Human Rights Commission - from March 1, 2018 to February 28, 2023.

To the Committee on Judiciary.

Feldman, Rachel of Middlesex - Member of the Capitol Complex Commission - from March 1, 2018 to February 28, 2021.

To the Committee on Institutions.

Hathaway, Andrew of Waterbury - Member of the Children and Family Council for Prevention Programs - from March 1, 2018 to February 28, 2021.

To the Committee on Health and Welfare.

Larrabee, Steven of West Danville - Member of the Natural Resources Board - from March 1, 2018 to January 31, 2022.

To the Committee on Natural Resources and Energy.

Bills Referred

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

H. 199.

An act relating to reinstating legislative members to the Commission on Alzheimer's Disease and Related Disorders.

To the Committee on Health and Welfare.

H. 608.

An act relating to creating an Older Vermonters Act working group.

To the Committee on Health and Welfare.

H. 638.

An act relating to increasing the number of examiners on the Board of Bar Examiners from nine to 11 members.

To the Committee on Judiciary.

H. 718.

An act relating to creation of the Restorative Justice Study Committee.

To the Committee on Judiciary.

Bill Amended; Third Reading Ordered

S. 241.

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

An act relating to the makeup and duties of the Emergency Medical Services Advisory Committee.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 909 is amended to read:

§ 909. EMS ADVISORY COMMITTEE

(a) The Commissioner shall establish an advisory committee to advise on matters relating to the delivery of emergency medical services (EMS) in Vermont.

(b) The Emergency Medical Services Advisory Committee ~~shall be chaired by the Commissioner or his or her designee and~~ shall include the following ~~14 other~~ members:

(1) ~~Four representatives of EMS districts. The representatives shall be selected by the EMS districts in four regions of the State. Those four regions shall correspond with the geographic lines used by the public safety districts pursuant to 20 V.S.A. § 5. For purposes of this subdivision, an EMS district located in more than one public safety district shall be deemed to be located in the public safety district in which it serves the greatest number of people.~~ One representative from each EMS district in the State, each representative being appointed by the EMS Board in his or her district.

(2) A representative from the Vermont Ambulance Association or designee.

(3) A representative from the ~~initiative for rural emergency medical services~~ Initiative for Rural Emergency Medical Services program at the University of Vermont or designee.

(4) A representative from the Professional Firefighters of Vermont or designee.

(5) A representative from the Vermont Career Fire Chiefs Association or designee.

(6) A representative from the Vermont State Firefighters' Association or designee.

(7) ~~An emergency department director of a Vermont hospital appointed by the Vermont Association of Emergency Department Directors or designee.~~

~~(8)~~ An emergency department nurse manager or emergency department director of a Vermont hospital appointed by the Vermont Association of ~~Emergency Department Nurse Managers or designee~~ Hospitals and Health Systems.

~~(9) A representative from the Vermont State Firefighters' Association who serves on a first response or FAST squad.~~

~~(10) A representative from the Vermont Association of Hospitals and Health Systems or designee.~~

(8) The Commissioner or designee.

~~(11)~~(9) A local government member not affiliated with emergency medical services, firefighter services, or hospital services, appointed by the Vermont League of Cities and Towns.

(c) The Committee shall select from among its members a chair who is not an employee of the State.

(d) The Committee shall meet not less than quarterly ~~in the first year and not less than twice annually each subsequent year~~ and may be convened at any time by the ~~Commissioner or his or her designee~~ Chair or at the request of ~~seven~~ 11 Committee members. Not more than two meetings each year shall be held in the same EMS district. One meeting each year shall be held at a Vermont EMS conference.

~~(d)~~(e) Beginning on January 1, ~~2014 and for the ensuing two years~~ 2019, the Committee shall report annually on the emergency medical services system to the House Committees on Government Operations, on Commerce and Economic Development, and on Human Services and to the Senate Committees on Government Operations, on Economic Development, Housing and General Affairs, and on Health and Welfare. The Committee's ~~initial and ensuing~~ reports shall include ~~each EMS district's response times to 911 emergencies in the previous year based on information collected from the Vermont Department of Health's Division of Emergency Medical Services and recommendations~~ information on the following:

~~(1) whether Vermont EMS districts should be consolidated such as along the geographic lines used by the four public safety districts established under 20 V.S.A. § 5;~~

~~(2)~~(1) whether every Vermont municipality should be required to have in effect an emergency medical services plan providing for timely and competent emergency responses; ~~and~~

~~(3)~~(2) whether the State should establish directives addressing when an agency can respond to a nonemergency request for transportation of a patient if doing so will leave the service area unattended or unable to respond to an emergency call in a timely fashion~~.~~;

(3) how the EMS system is functioning statewide and the current state of recruitment and workforce development;

(4) each EMS district's response times to 911 emergencies in the previous year, based on information collected from the Vermont Department of Health's Division of Emergency Medical Services;

(5) funding mechanisms and funding gaps for EMS personnel and providers across the State, including for the funding of infrastructure, equipment, and operations and costs associated with initial and continuing training, licensure, and credentialing of personnel;

(6) the nature and costs of dispatch services for EMS providers throughout the State and suggestions for improvement;

(7) legal, financial, or other limitations on the ability of EMS personnel with various levels of training and licensure to engage in lifesaving or health-preserving procedures;

(8) how the current system of preparing and licensing EMS personnel could be improved, including the role of Vermont Technical College's EMS program; whether the State should create an EMS academy; and how such an EMS academy should be structured;

(9) how EMS instructor training and licensing could be improved; and

(10) the impact of the State's credentialing requirements for EMS personnel on EMS providers.

Sec. 2. 2019 MEETINGS AND ORGANIZATION

Notwithstanding 18 V.S.A. § 909(d), the Emergency Medical Services Advisory Committee shall meet at least twice between July 1, 2018 and December 31, 2018. The Commissioner or designee shall call the first such meeting, at which time a chair shall be selected pursuant to 18 V.S.A. § 909(c).

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

Bill Amended; Bill Passed

S. 55.

Senate bill entitled:

An act relating to territorial jurisdiction over regulated drug sales.

Was taken up.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, in subdivision (c)(3), after the word "fee", by inserting , not to exceed $20.00,

Which was disagreed to.

Thereupon, pending third reading of the bill, Senator Rodgers moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) This section shall not apply to:

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

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

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

(4) the transfer of a firearm to a person whom the transferor:

(A) has known for at least five years; and

(B) knows is not prohibited from possessing the firearm by state or Federal law.

Which was disagreed to.

Thereupon, pending third reading of the bill, Senator Rodgers moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, by inserting new subsection (f) to read as follows

(f) For purposes of this section, a transfer of multiple firearms simultaneously as part of a single transaction shall be treated as a single transfer.

Which was disagreed to.

Thereupon, pending third reading of the bill, Senator Rodgers moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, by striking out subdivision (a)(7) in its entirety and inserting in lieu thereof a new subdivision (a)(7) to read as follows:

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

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Rodgers moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, by striking out subdivision (d)(1) in its entirety and inserting in lieu thereof a new subdivision (d)(1) to read as follows:

(d)(1)(A) Except as provided in subdivision (1)(B) of this subsection (d), an unlicensed person who transfers a firearm to another unlicensed person in violation of subdivision (b)(1) of this section shall be imprisoned not more than one year or fined not more than $500.00, or both.

(B) Subdivision (1)(A) of this subsection (d) shall not apply to a person who, after the person violates subdivision (A), provides the law enforcement officer or the State's Attorney with proof that the person has passed a federal background check under the National Instant Criminal Background Check System.

Which was disagreed to.

Thereupon, pending third reading of the bill, Senators Ashe, Balint, Ayer, Baruth, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Lyons, McCormack, Pearson, Pollina, Sirotkin and White moved to amend the bill by adding a new Sec. 7 to read as follows:

Sec. 7. 13 V.S.A. § 4020 is added to read

§ 4020. SALE OF FIREARMS TO MINORS PROHIBITED

(a) A person shall not sell a firearm to a person under 21 years of age. A person who violates this subsection shall be imprisoned for not more than one year or fined not more than $1,000.00, or both.

(b) This section shall not apply to

(1) a law enforcement officer purchasing the firearm for purposes of his or her duties and responsibilities as a law enforcement officer; or

(2) an active member of the Vermont National Guard, of the National Guard of another state, or of the U.S. Armed Forces purchasing the firearm for purposes of his or her duties and responsibilities as a member of the armed forces.

(c) As used in this section:

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

(2) "Law enforcement officer" shall have the same meaning as in subsection 4016(a) of this title.

And by renumbering the original Sec. 7, effective date, to be Sec. 8

Which was agreed to on a roll call, Yeas 21, Nays 9.

Senator Clarkson 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, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Pearson, Pollina, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: *Benning, Branagan, Brock, Collamore, Flory, Nitka, Rodgers, Soucy, Starr.

*Senator Benning explained his vote as follows:

"Mr. President:

As a high school student in 1971 I marched and protested with my colleagues because we were being drafted to fight and die in Vietnam, but were denied the constitutional right to vote. Our protests resulted in the 26th amendment to the United States Constitution that enshrined for anyone age 18 and up the right to vote. Yesterday we voted to encroach on all our constitutional rights, arguing that it was just a small inconvenience. Today this amendment takes another step, explicitly eliminating part of a constitutional right for almost 19,000 young Vermonters in response to the action here of one 19 year old, effectively treating them as second class citizens. Nationally we are looking to do the same thing in reaction to the acts of five individuals, against a national population of over 323 million. This is counter to what my generation fought for, and counter to what I feel my oath of office requires me to protect. For that reason I have voted 'no'."

Thereupon, pending third reading of the bill, Senators Sears and Flory moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) This section shall not apply to:

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

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

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

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

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill in Sec. 6, 13 V.S.A. § 4019, in subdivision (c)(3), after the word "fee", by inserting , not to exceed $21.00,

Which was disagreed to on a division of the Senate Yeas 6, Nays 24.

Thereupon, the bill was read the third time and passed, on a roll call, Yeas 17, Nays 13.

Senator Westman 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, Ingram, Lyons, MacDonald, McCormack, Pearson, Pollina, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Branagan, Brock, Collamore, Flory, Kitchel, Mazza, Nitka, Rodgers, Sears, Soucy, Starr, Westman.

Bill Amended; Third Reading Ordered

S. 272.

Senator Westman, for the Committee on Transportation, to which was referred Senate bill entitled:

An act relating to miscellaneous changes to laws related to motor vehicles and motorboats.

Reported recommending that the bill be amended 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(b) is amended to read:

(b) Special registration plates or removable windshield placards, or both, shall be issued by the Vermont Commissioner of Motor Vehicles. The placard shall be issued without a fee to a person who is blind or has an ambulatory disability. One set of plates shall be issued without additional fees for a vehicle registered or leased to a person who is blind or has an ambulatory disability or to a parent or guardian of a person with a permanent disability. The Commissioner shall issue these placards or plates under rules adopted by him or her after proper application has been made to the Commissioner by any person residing within the State of Vermont. Application forms shall be available on request at the Department of Motor Vehicles.

* * *

* * * Eliminating Requirements to Return License Plates * * *

Sec. 2. 23 V.S.A. § 326 is amended to read:

§ 326. REFUND UPON LOSS OF VEHICLE

The Commissioner may cancel the registration of a motor vehicle when the owner thereof proves to his or her satisfaction that it has been totally destroyed by fire~~,~~ or, through accident or wear, has become wholly unfit for use and has been dismantled. ~~Upon the cancellation of such~~ After the Commissioner cancels the registration and the ~~return~~ owner returns to the Commissioner ~~of~~ either the registration certificate, or the number plates and the validation sticker ~~(if issued for that year)~~, the Commissioner shall certify to the Commissioner of Finance and Management the fact of ~~such~~ the cancellation, giving the name of the owner of ~~such~~ the motor vehicle, his or her address, the amount of the registration fee paid, and the date of ~~such~~ cancellation. The Commissioner of Finance and Management shall issue his or her warrant in favor of the owner for such percent of the registration fee paid as the unexpired term of the registration bears to the entire registration period, but in no case shall the Commissioner retain less than $5.00 of the fee paid.

Sec. 3. 23 V.S.A. § 327 is amended to read:

§ 327. REFUND WHEN PLATES NOT USED

Subject to the conditions set forth in subdivisions (1), (2), and (3) of this section, the Commissioner may cancel the registration of a motor vehicle, snowmobile, or ~~motor boat~~ motorboat when the owner returns to the Commissioner either the number plates, if any, ~~and~~ or the registration certificate ~~to the Commissioner~~. Upon cancellation of the registration, the Commissioner shall notify the Commissioner of Finance and Management, who shall issue a refund as follows:

(1) For registrations cancelled prior to the beginning of the registration period, the refund is the full amount of the fee paid, less a ~~fee~~ charge of $5.00.

(2) For registrations cancelled within 30 days of the date of issue, the refund is the full amount of the fee paid, less a charge of $5.00. The owner of a motor vehicle must prove to the Commissioner's satisfaction that the number plates have not been used or attached to a motor vehicle.

(3) For registrations cancelled prior to the beginning of the second year of a two-year registration period, the refund is one-half of the full amount of the two-year fee paid, less a charge of $5.00.

* * * Veterans; Fee Exemptions * * *

Sec. 4. 23 V.S.A. § 378 is amended to read:

§ 378. VETERANS' EXEMPTIONS

No fees shall be charged an honorably discharged ~~veterans~~ veteran of the U.S. Armed Forces~~,~~ who ~~are residents~~ is a resident of the State of Vermont for the registration of a motor vehicle ~~granted~~ that the veteran ~~by the Veterans' Administration~~ has acquired with financial assistance from the U.S. Department of Veterans Affairs, or for the registration of a motor vehicle owned by him or her during his or her lifetime obtained as a replacement thereof, when his or her application is accompanied by a ~~certificate~~ copy of an approved VA Form 21-4502 issued by the ~~Veterans' Administration center~~ U.S. Department of Veterans Affairs certifying him or her to be entitled to ~~such exemption~~ the financial assistance.

Sec. 5. 23 V.S.A. § 609 is amended to read:

§ 609. VETERANS' EXEMPTION

No fees shall be charged an honorably discharged ~~veterans~~ veteran of the U.S. Armed Forces~~,~~ who ~~are residents~~ is a resident of the State of Vermont~~,~~ for a license to operate a motor vehicle, when the veteran has ~~received~~ acquired a motor vehicle with financial assistance from the ~~Veterans' Administration~~ U.S. Department of Veterans Affairs and he or she is otherwise eligible to be granted ~~such~~ the license, and when his or her application is accompanied by a ~~certificate~~ copy of an approved VA Form 21-4502 issued by the ~~Veterans'~~

~~Administration center~~ U.S. Department of Veterans Affairs certifying him or her to be entitled to ~~such exemption~~ the financial assistance.

Sec. 6. 23 V.S.A. § 2002(a) is amended to read:

(a) The Commissioner shall be paid the following fees:

(1) for any certificate of title, including a salvage certificate of title, or an exempt vehicle title, $35.00;

* * *

(11) for a certificate of title for a motor vehicle ~~granted~~ acquired by a veteran ~~by~~ with financial assistance from the ~~Veterans' Administration~~ U.S. Department of Veterans Affairs and exempt from registration fees pursuant to section 378 of this title, no fee;

* * *

Sec. 7. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(14) A motor vehicle ~~granted~~ acquired by a veteran ~~by~~ with financial assistance from the ~~Veterans' Administration~~ U.S. Department of Veterans Affairs, or a vehicle obtained as a replacement to one ~~granted~~ acquired with such assistance, when accompanied by a ~~certificate~~ copy of an approved VA Form 21-4502 issued by the ~~Veterans' Administration Center~~ U.S. Department of Veterans Affairs certifying the veteran to be entitled to the ~~exemption~~ financial assistance.

* * *

* * * Restoration of Driving Privileges Under Total Abstinence Program * * *

Sec. 8. 23 V.S.A. § 1209a(b) is amended to read:

(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~~ and 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~~ not earlier 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, or another examination if it is approved as a preliminary screening test under this subchapter, to be conducted prior to reinstatement under this subdivision. The application to the Commissioner shall be accompanied by a fee of $500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.

(2) If the Commissioner or a medical review board convened by the Commissioner is satisfied by a preponderance of the evidence that the applicant has abstained for the required number of years immediately preceding the application ~~and hearing~~, has successfully completed a therapy program as required under this section, and has operated under a valid ignition interlock RDL or under an ignition interlock certificate for at least three years following the suspension or revocation, and the person ~~appreciates~~ provides a written acknowledgment that he or she cannot drink any amount of alcohol ~~and drive safely~~ at all and cannot consume nonprescription regulated drugs under any circumstances, the person's license or privilege to operate shall be reinstated immediately, subject to the condition that the person's suspension or revocation will be put back in effect in the event any further investigation reveals a return to the consumption of alcohol or drugs and to such additional conditions as the Commissioner may impose. The requirement to operate under an ignition interlock RDL or ignition interlock certificate shall not apply if the person is exempt under subdivision (a)(4) of this section.

* * *

(4) If the Commissioner finds that a person reinstated under this subsection ~~was~~ is suspended pursuant to section 1205 of this title~~,~~ or ~~was~~ is convicted of a violation of section 1201 of this title subsequent to reinstatement under this subsection, the person shall be conclusively presumed to be in violation of the conditions of his or her reinstatement.

(5) A person shall be eligible for reinstatement under this subsection only once following a suspension or revocation for life.

* * *

* * * Means of Transmitting Fuel Tax Payments * * *

Sec. 9. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

(3)(A) Distributors and dealers with a tax liability of more than $25,000.00 filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

(B) Distributors and dealers with a tax liability of $25,000.00 or less filing a report required under subsection 3014(a) of this title, and users filing a report required under subsection 3014(b) of this title, shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance ~~to cover payment of taxes due as shown by a report required by this chapter~~ is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report~~,~~ and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

* * *

Sec. 10. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

* * *

(3)(A) Distributors and dealers ~~with a tax liability of more than $25,000.00~~ filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

(B) ~~Distributors and dealers with a tax liability of $25,000.00 or less filing a report required under subsection 3014(a), of this title and users~~ Users filing a report required under subsection 3014(b) of this title~~,~~ shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

* * *

Sec. 11. 23 V.S.A. § 3106(b) is amended to read:

(b) ~~If a remittance to cover~~ On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter ~~is sent through the U.S. mail properly addressed~~ shall be transmitted to the Department of Motor Vehicles~~, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned or under the control of the person submitting the report, and the U.S. Post Office has corrected or changed the date stamped by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official post office postmark shall be the accepted date if different from the original postmark~~:

(1) if the tax liability is more than $25,000.00, by means of an electronic funds transfer payment; or

(2) if the tax liability is $25,000.00 or less, by means of an electronic funds transfer payment or by a remittance through the U.S. mail.

Sec. 12. 23 V.S.A. § 3106(b) is amended to read:

(b) On or before the due date established by section 3108 of this title, payment of taxes due as shown by a report required by this chapter shall be transmitted to the Department of Motor Vehicles~~:~~

~~(1) if the tax liability is more than $25,000.00,~~ by means of an electronic funds transfer payment~~; or~~

~~(2) if the tax liability is $25,000.00 or less, by means of an electronic funds transfer payment or by a remittance through the U.S. mail~~.

* * * Motor Vehicle Purchase and Use Tax * * *

Sec. 13. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(8) Motor vehicles transferred to the spouse, mother, father, child, sibling, grandparent, or grandchild of the donor during the donor's life or following his or her death, or to a trust established for the benefit of any such persons or for the benefit of the donor, or subsequently transferred among such persons, including transfers following a death, provided ~~such~~ the motor vehicle has been registered or titled in this State in the name of the original donor. Transfers exempt under this subdivision (8) include eligible transfers resulting by operation of the law governing intestate estates.

* * *

* * * New Motor Vehicle Arbitration * * *

Sec. 14. 9 V.S.A. § 4173 is amended to read:

§ 4173. PROCEDURE TO OBTAIN REFUND OR REPLACEMENT; WAIVER OF RIGHTS VOID

(a)(1) After reasonable attempt at repair or correction of the nonconformity, defect, or condition, or after the vehicle is out of service by reason of repair of one or more nonconformities, defects, or conditions for a cumulative total of 30 or more calendar days as provided in this chapter, the consumer shall notify the manufacturer and lessor in writing, on forms to be provided by the manufacturer at the time the new motor vehicle is delivered, of the nonconformity, defect, or condition and the consumer's election to proceed under this chapter. The forms shall be made available by the manufacturer to any public or nonprofit agencies that shall request them. Notice of consumer rights under this chapter shall be conspicuously displayed by all authorized dealers and agents of the manufacturer.

(2) The consumer shall in the notice elect whether to use the dispute settlement mechanism or the arbitration provisions established by the manufacturer or to proceed under the Vermont Motor Vehicle Arbitration

Board as established under this chapter. Except in the case of a settlement agreement between a consumer and manufacturer, and unless federal law otherwise requires, any provision or agreement that purports to waive, limit, or disclaim the rights set forth in this chapter or that purports to require a consumer not to disclose the terms of the provision or agreement is void as contrary to public policy.

(3) The consumer's election of whether to proceed before the Board or the manufacturer's mechanism shall preclude his or her recourse to the method not selected.

* * *

* * * Three-wheeled Motorcycles * * *

Sec. 15. 23 V.S.A. § 601(f) is amended to read:

(f) Operators of autocycles shall be exempt from the requirements to obtain a motorcycle learner's permit or a motorcycle endorsement. The Commissioner shall offer operators of three-wheeled motorcycles that are not autocycles the opportunity to obtain a motorcycle endorsement that authorizes the operation of three-wheeled motorcycles only.

Sec. 16. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of $20.00 at the time application is made.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit ~~which~~ that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only, or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be $9.00.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a $20.00 fee. If, during the original permit period and two

renewals~~,~~ the permittee has not successfully passed the applicable skill test or ~~the~~ motorcycle rider training course, he or she may not obtain another motorcycle learner's permit for a period of 12 months from the expiration of the permit unless:

(A) he or she has successfully completed the applicable motorcycle rider training course; or

(B) the learner's permit and renewals thereof authorized the operation of any motorcycle and the permittee is seeking a learner's permit for the operation of three-wheeled motorcycles only.

(4) This section shall not affect section 602 of this title. ~~The fee for the examination shall be $9.00.~~

* * *

(f)(1) The Commissioner may authorize motorcycle rider training instructors to administer ~~either the~~ a motorcycle endorsement examination for three-wheeled motorcycles only or for any motorcycle, or ~~the~~ a motorcycle ~~skills~~ skill test for three-wheeled motorcycles only or for any motorcycle, or ~~both~~ any of these. Upon successful completion of the applicable examination or test, the instructor shall issue to the applicant either a temporary motorcycle ~~learner~~ learner's permit or notice of motorcycle endorsement, as appropriate. The instructor shall immediately forward to the Commissioner the application and fee together with such additional information as the Commissioner may require.

(2) The Commissioner shall maintain a list of approved in-state and out-of-state motorcycle rider training courses, successful completion of which the Commissioner shall deem to satisfy the skill test requirement. This list shall include courses that provide training on three-wheeled motorcycles.

* * * Dealer Records of Sales * * *

Sec. 17. 23 V.S.A. § 466 is amended to read:

§ 466. RECORDS; CUSTODIAN

(a) On a form prescribed or approved by the Commissioner, every licensed dealer shall maintain and retain for six years a record containing the following information, which shall be open to inspection by any law enforcement officer or motor vehicle inspector or other agent of the Commissioner during reasonable business hours:

(1) Every vehicle or motorboat ~~which~~ that is bought, sold, or exchanged by the licensee or received or accepted by the licensee for sale or exchange.

(2) Every vehicle or motorboat ~~which~~ that is bought or otherwise acquired and dismantled by the licensee.

(3) The name and address of the person from whom such vehicle or motorboat was purchased or acquired, the date thereof, the name and address of the person to whom any such vehicle or motorboat was sold or otherwise disposed of and the date thereof, and a sufficient description of every such vehicle or motorboat by name and identifying numbers thereon to identify the same.

(4) ~~If the vehicle or motorboat is sold or otherwise transferred to a consumer, the cash price. As used in this section, "consumer" shall be as defined in 9 V.S.A. § 2451a(a) and "cash price" shall be as defined in 9 V.S.A. § 2351(6).~~ [Repealed.]

* * *

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

(a) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.

(b) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.

(c) This section, Sec. 14 (new motor vehicle arbitration), and Sec. 17 (dealer records) shall take effect on passage.

(d) All other sections shall take effect on July 1, 2018.

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

An act relating to miscellaneous changes to laws related to motor vehicles.

And that when so amended the bill ought to pass.

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

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

Bill Amended; Bill Passed

S. 120.

Senate bill entitled:

An act relating to limiting corporate campaign contributions.

Was taken up.

Thereupon, pending third reading of the bill, Senators Cummings, Kitchel and Sirotkin moved to amend the bill in Sec. 1, 17 V.S.A. § 2941 (limitations of contributions), by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read:

(c)(1)(A) Notwithstanding any provision of law to the contrary, only an individual, a political committee, or a political party may make a contribution to a candidate or to a political party.

(B) In accordance with the provisions of subdivision (A) of this subdivision (1), an individual may make a contribution as follows, which in either case shall be considered a contribution from the individual:

(i) in the individual's capacity as an unincorporated sole proprietorship; or

(ii) from his or her revocable trust, if the individual is a named trustee.

(2) A candidate or a political party shall not accept a contribution from any person other than those permitted to make such a contribution under subdivision (1) of this subsection.

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Bill Passed

S. 216.

Senate bill of the following title was read the third time and passed:

An act relating to the administration of Vermont's Medical Marijuana Registry.

Bill Amended; Consideration Interrupted by Adjournment

S. 285.

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

An act relating to universal recycling requirements.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Solid Waste Management Facility Requirements * * *

Sec. 1. 10 V.S.A. § 6605 is amended to read:

§ 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION

(a)(1) No person shall construct, substantially alter, or operate any solid waste management facility without first obtaining certification from the Secretary for such facility, site, or activity, except for sludge or septage treatment or storage facilities located within the fenced area of a domestic wastewater treatment plant permitted under chapter 47 of this title. This exemption for sludge or septage treatment or storage facilities shall exist only if:

(A) the treatment facility does not ~~utilize~~ use a process to ~~further~~ reduce pathogens further in order to qualify for marketing and distribution; and

(B) the facility is not a drying bed, lagoon, or nonconcrete bunker; and

(C) the owner of the facility has submitted a sludge and septage management plan to the Secretary and the Secretary has approved the plan. Noncompliance with an approved sludge and septage management plan shall constitute a violation of the terms of this chapter, as well as a violation under chapters 201 and 211 of this title.

(2) Certification shall be valid for a period not to exceed 10 years.

* * *

(j) A facility certified under this section that offers the collection of municipal solid waste shall:

(1) Beginning on July 1, 2014, collect mandated recyclables separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables. A facility shall not be required to accept mandated recyclables from a commercial hauler.

(2) Beginning on July 1, 2015, collect leaf and yard residuals between April 1 and December 15 separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.

(3) Beginning on July 1, 2017, collect food residuals separate from other solid waste and deliver food residuals to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title.

* * *

* * * Commercial Hauler Requirements * * *

Sec. 2. 10 V.S.A. § 6607a is amended to read:

§ 6607a. WASTE TRANSPORTATION

(a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so~~,~~ by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with State law.

(b) As used in this section:

(1) "Commercial hauler" means:

(A) any person that transports regulated quantities of hazardous waste; and

(B) any person that transports solid waste for compensation in a vehicle.

(2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.

(3) The Secretary shall not require a commercial hauler to obtain a permit under this section, comply with the disclosure requirements of this section, comply with the reporting and registration requirements of section 6608 of this title, or pay the fee specified in 3 V.S.A. § 2822, if:

(A) the commercial hauler does not transport more than four cubic yards of solid waste at any time; and

(B) the solid waste transportation services performed are incidental to other nonwaste transportation-related services performed by the commercial hauler.

* * *

(g)(1) Except as set forth in subdivisions (2), (3), and (4) of this subsection, a commercial hauler that offers the collection of municipal solid waste ~~shall~~:

(A) Beginning on July 1, 2015, shall offer to collect mandated recyclables ~~separated~~ separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.

(B) Beginning on July 1, 2016, may offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.

(C) ~~Beginning on July 1, 2018, offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title.~~ [Repealed.]

(2) In a municipality that has adopted a solid waste management ordinance addressing the collection of mandated recyclables, leaf and yard residuals, or food residuals, a commercial hauler in that municipality is not required to comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:

(A) is applicable to all residents of the municipality;

(B) prohibits a resident from opting out of municipally provided solid waste services; and

(C) does not apply a variable rate for the collection for the material addressed by the ordinance.

(3) A commercial hauler is not required to comply with the requirements of subdivision (1)(A)~~, (B), or (C)~~ of this subsection in a specified area within a municipality if:

(A) the Secretary has approved a solid waste implementation plan for the municipality;

(B) for purposes of waiver of the requirements of subdivision (1)(A) of this subsection (g), the Secretary determines that under the approved plan:

(i) the municipality is achieving the per capita disposal rate in the State Solid Waste Plan; and

(ii) the municipality demonstrates that its progress toward meeting the diversion goal in the State Solid Waste Plan is substantially equivalent to that of municipalities complying with the requirements of subdivision (1)(A) of this subsection (g);

(C) the approved plan delineates an area where solid waste management services required by subdivision (1)(A)~~, (B), or (C)~~ of this subsection (g) are not required; and

(D) in the delineated area, alternatives to the services, including on-site management, required under subdivision (1)(A)~~, (B), or (C)~~ of this subsection (g) are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.

(4) A commercial hauler is not required to comply with the requirements of subdivision (1)(A)~~, (B), or (C)~~ of this subsection for mandated recyclables~~,~~ or leaf and yard residuals~~, or food residuals~~ collected as part of a litter collection.

* * *

(i) A commercial hauler that operates a bag-drop or fast-trash site at a fixed location to collect municipal solid waste shall offer at the site all collection services required under 10 V.S.A. § 6605(j).

* * * Landfill Disposal * * *

Sec. 3. 10 V.S.A. § 6621a is amended to read:

§ 6621a. LANDFILL DISPOSAL REQUIREMENTS

(a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:

* * *

(10) ~~Leaf~~ Source separated leaf and yard residuals and wood waste after July 1, 2016.

* * *

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy?, Senator Pollina moved to amend the recommendation of the Committee on Natural Resources and Energy as follows:

By striking out Sec. 4 (effective date) and its reader assistance and inserting in lieu thereof six new sections to be Secs. 4–9 and their reader assistances to read as follows:

* * * Beverage Container Redemption * * *

Sec. 4. 10 V.S.A. § 1521 is amended to read:

§ 1521. DEFINITIONS

~~For the purpose of~~ As used in this chapter:

(1) "Beverage" means beer or other malt beverages ~~and~~, mineral waters, mixed wine ~~drink,~~ drinks, wine, soda water, ~~and~~ carbonated and noncarbonated soft drinks, noncarbonated water, and all nonalcoholic carbonated and noncarbonated drinks in liquid form and intended for human consumption, except for rice milk, soymilk, almond milk, hempseed milk, milk, and dairy products. As of January 1, 1990, "beverage" also shall mean liquor.

* * *

(3) "Container" means the individual, separate~~,~~ bottle, can, jar, or carton composed of glass, metal, paper, plastic, or any combination of those materials containing a consumer product. This definition shall not include containers made of biodegradable material.

(4) "Distributor" means every person who engages in the sale of consumer products in containers to a dealer in this ~~state~~ State, including any manufacturer who engages in such sales. Any dealer or retailer who sells, at the retail level, beverages in containers without having purchased them from a person otherwise classified as a distributor~~,~~ shall be a distributor.

(5) "Manufacturer" means every person bottling, canning, packing, or otherwise filling containers for sale to distributors or dealers.

* * *

(8) "Secretary" means the ~~secretary of the agency of natural resources~~ Secretary of Natural Resources.

(9) "Mixed wine drink" means a beverage containing wine and more than 15 percent added plain, carbonated, or sparkling water; and ~~which~~ that contains added natural or artificial blended material, such as fruit juices, flavors, flavoring, adjuncts, coloring, or preservatives; ~~which~~ that contains not more than 16 percent alcohol by volume; or other similar product marketed as a wine cooler.

(10) "Liquor" means spirits as defined in 7 V.S.A. § 2.

(11) "Deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

Sec. 5. 10 V.S.A. § 1522 is amended to read:

§ 1522. BEVERAGE CONTAINERS; DEPOSIT

(a) Except with respect to beverage containers ~~which~~ that contain liquor, a deposit of ~~not less than five cents~~ $0.05 shall be paid by the consumer on each beverage container sold at the retail level and shall be refunded to the consumer upon return of the empty beverage container. With respect to beverage containers of volume greater than 50 ml. ~~which~~ that contain liquor or wine, a deposit of ~~15 cents~~ $0.15 shall be paid by the consumer on each beverage container sold at the retail level and shall be refunded to the consumer upon return of the empty beverage container. The difference between liquor bottle deposits collected and refunds made is ~~hereby~~ retained by the Liquor Control Enterprise Fund for administration of this subsection.

(b) A retailer or a person operating a redemption center who redeems beverage containers shall be reimbursed by the manufacturer or distributor of such beverage containers in an amount ~~which is three and one-half cents~~ of $0.035 per container for containers of beverage brands that are part of a commingling program and ~~four cents~~ $0.04 per container for containers of beverage brands that are not part of a commingling program.

(c) ~~[Deleted.]~~ [Repealed.]

(d) Containers shall be redeemed during no fewer than 40 hours per week during the regular operating hours of the establishment.

Sec. 6. 10 V.S.A. § 1524 is amended to read:

§ 1524. LABELING

(a) Every beverage container sold or offered for sale at retail in this ~~state~~ State shall clearly indicate by embossing or imprinting on the normal product label, or in the case of a metal beverage container on the top of the container, the word "Vermont" or the letters "VT" and the refund value of the container in not less than one-eighth inch type size or such other alternate indications as may be approved by the ~~secretary~~ Secretary. This subsection does not prohibit including names or abbreviations of other states with deposit legislation comparable to this chapter.

(b) The ~~commissioner of the department of liquor control~~ Commissioner of Liquor Control may allow, in the case of liquor bottles, a conspicuous, adhesive sticker to be attached to indicate the deposit information required in subsection (a) of this section, provided that the size, placement, and adhesive

qualities of the sticker are as approved by the ~~commissioner~~ Commissioner. The stickers shall be affixed to the bottles by the manufacturer, except that liquor ~~which~~ that is sold in the ~~state~~ State in quantities less than 100 cases per year may have stickers affixed by personnel employed by the ~~department~~ Department.

(c) This section shall not apply to permanently labeled beverage containers.

(d) The Secretary may allow, in the case of wine bottles, a conspicuous, adhesive sticker to be attached to indicate the deposit information required in subsection (a) of this section, provided that the size, placement, and adhesive qualities of the sticker are as approved by the Secretary. The stickers shall be affixed by the manufacturer.

Sec. 7. 10 V.S.A. § 1530 is added to read:

§ 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

(a) A deposit initiator shall open a separate interest-bearing account in a Vermont branch of a financial institution to be known as the deposit transaction account. The deposit initiator shall keep the deposit transaction account separate from all other revenues and accounts.

(b) Beginning on July 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

(c) Beginning on August 10, 2019, and by the tenth day of each month thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding month. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

(1) the balance of the account at the beginning of the preceding month;

(2) the number of nonreusable beverage containers sold in the preceding month and the number of nonreusable beverage containers returned in the preceding month;

(3) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;

(4) the amount of refund payments made from the deposit transaction account in the preceding month;

(5) any income earned on the deposit transaction account in the preceding month;

(6) any other transactions, withdrawals, or service charges on the deposit transaction account from the preceding month; and

(7) any additional information required by the Commissioner of Taxes.

(d) On or before August 10, 2019, and on the tenth day of each month thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding month. The amount of abandoned beverage container deposits for a month is the amount equal to the amount of deposits that should be in the fund less the sum of:

(1) income earned on amounts on the account during that month; and

(2) the total amount of refund value received by the deposit initiator for nonrefillable containers during that month.

(e) The Secretary of Natural Resources may prohibit the sale of a beverage that is sold or distributed in the State by a deposit initiator who fails to comply with the requirements of this chapter. The Secretary may allow the sale of a beverage upon the deposit initiator's coming into compliance with the requirements of this chapter.

(f) The Commissioner of Taxes shall deposit in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund established under section 6618 of this title all abandoned beverage container deposits remitted under subsection (d) of this section.

Sec. 8. 10 V.S.A. § 6618 is amended to read:

§ 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have three accounts: one for Solid Waste Management Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A.

chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax ~~which~~ that is deposited to the Hazardous Waste Management Assistance Account exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, abandoned beverage container deposits remitted to the State under section 1530 of this title, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section 7553 of this title. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate Fund account. Disbursements from the Fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

(b) The Secretary may authorize disbursements from the Solid Waste Management Assistance Account for the purpose of enhancing solid waste management in the State in accordance with the adopted waste management plan. This includes:

* * *

(9) The Secretary shall annually allocate 17 percent of the receipts of this account, based on the projected revenue for that year, for implementation of the Plan adopted pursuant to section 6604 of this title and Solid Waste Implementation Plans adopted pursuant to 24 V.S.A. § 2202a.

* * *

(11) Costs of solid waste management entities and commercial haulers in complying with universal recycling requirements.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, pending the question, Shall the report of the Committee on Natural Resources and Energy be amended as recommended by Senator Pollina?, Senator Ashe moved that pending announcements the Senate adjourn until March 13, 2018, pursuant to J.R.S. 37.

Message from the House No. 26

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. 711. An act relating to employment protections for crime victims.

H. 728. An act relating to bail reform.

H. 901. An act relating to health information technology and health information exchange.

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

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. 55, S. 120, S. 216.

Rules Suspended; Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Ayer the rules were suspended and Senate bill entitled:

S. 53. An act relating to a universal, publicly financed primary care system.

was committed to the Committee on Finance pursuant to Rule 31 with the report of the Committee on Health and Welfare *intact*,

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 Rep. Quimby,

H.C.R. 261.

House concurrent resolution in memory of Guildhall civic leader Richard William Martin.

By Reps. Devereux and others,

By Senators Nitka, Clarkson, Collamore, Flory, McCormack and Soucy,

H.C.R. 262.

House concurrent resolution honoring Ludlow Municipal Manager Francis J. Heald.

By Reps. Devereux and Potter,

By Senators Nitka, Clarkson, Collamore, Flory and McCormack,

H.C.R. 263.

House concurrent resolution congratulating the Mount Holly Community Historical Museum on celebrating its 50th Anniversary.

By Reps. Sharpe and others,

By Senators Balint, Baruth, Benning, Branagan, Bray and Ingram,

H.C.R. 264.

House concurrent resolution designating the week of May 6–12, 2018 as Teacher Appreciation Week in Vermont.

By Reps. Haas and others,

H.C.R. 265.

House concurrent resolution designating Thursday, March 1, 2018 as Vermont Coalition of Runaway and Homeless Youth Programs and Vermont Youth Development Program Awareness Day.

By Reps. Stuart and others,

H.C.R. 266.

House concurrent resolution congratulating the Robb Family Farm in West Brattleboro on its 110th anniversary.

By Rep. Ancel,

H.C.R. 267.

House concurrent resolution honoring Donna Fitch for her outstanding municipal public service in the Town of Calais.

By Rep. Smith,

By Senators Ayer and Bray,

H.C.R. 268.

House concurrent resolution honoring H. Kent Wright III for his civic engagement in the town of Bridport.

By Reps. Partridge and others,

By Senators Balint and White,

H.C.R. 269.

House concurrent resolution in memory of former Representative and Rockingham Town Moderator Michael P. Harty.

By Rep. Smith,

By Senators Ayer and Bray,

H.C.R. 270.

House concurrent resolution honoring Alan Curler of New Haven for his outstanding civic service.

By Rep. Harrison,

By Senators Collamore, Flory and Soucy,

H.C.R. 271.

House concurrent resolution in memory of former Mendon Town Clerk Helen Ruth Johnson Lawrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, March 13, 2018, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 37.

TUESDAY, MARCH 13, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Nancy McHugh of Waitsfield.

Pledge of Allegiance

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

Message from the House No. 27

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. 614. An act relating to the sale and use of fireworks.

H. 700. An act relating to the Open Meeting Law and meeting minutes.

H. 727. An act relating to the admissibility of a child's hearsay statements in a proceeding before the Human Services Board.

H. 731. An act relating to miscellaneous workers' compensation and occupational safety amendments.

H. 836. An act relating to electronic court filings for relief from abuse orders.

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

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

H.C.R. 261. House concurrent resolution in memory of Guildhall civic leader Richard William Martin.

H.C.R. 262. House concurrent resolution honoring Ludlow Municipal Manager Francis J. Heald.

H.C.R. 263. House concurrent resolution congratulating the Mount Holly Community Historical Museum on celebrating its 50th Anniversary.

H.C.R. 264. House concurrent resolution designating the week of May 6–12, 2018 as Teacher Appreciation Week in Vermont.

H.C.R. 265. House concurrent resolution designating Thursday, March 1, 2018 as Vermont Coalition of Runaway and Homeless Youth Programs and Vermont Youth Development Program Awareness Day.

H.C.R. 266. House concurrent resolution congratulating the Robb Family Farm in West Brattleboro on its 110th anniversary.

H.C.R. 267. House concurrent resolution honoring Donna Fitch for her outstanding municipal public service in the Town of Calais.

H.C.R. 268. House concurrent resolution honoring H. Kent Wright III for his civic engagement in the town of Bridport.

H.C.R. 269. House concurrent resolution in memory of former Representative and Rockingham Town Moderator Michael P. Harty.

H.C.R. 270. House concurrent resolution honoring Alan Curler of New Haven for his outstanding civic service.

H.C.R. 271. House concurrent resolution in memory of former Mendon Town Clerk Helen Ruth Johnson Lawrence.

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

The Governor has informed the House that on March 1, 2018, he approved and signed bills originating in the House of the following titles:

H. 552. An act relating to approval of the adoption and codification of the charter of the Town of Ferrisburgh.

H. 568. An act relating to approval of amendments to the charter of the Town of Barre.

H. 573. An act relating to approval of an amendment to the charter of the City of Rutland.

Message from the House No. 28

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 237. An act relating to saliva testing.

H. 675. An act relating to conditions of release prior to trial.

H. 684. An act relating to professions and occupations regulated by the Office of Professional Regulation.

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

Bills Referred to Committee on Appropriations

Senate 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:

S. 111. An act relating to privatization contracts.

S. 260. An act relating to funding the cleanup of State waters.

S. 273. An act relating to miscellaneous law enforcement amendments.

S. 281. An act relating to the Systemic Racism Mitigation Oversight and Equity Review Board.

Bills Referred to Committee on Finance

Senate 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:

S. 94. An act relating to promoting remote work and flexible work arrangements.

S. 253. An act relating to Vermont's adoption of the Interstate Medical Licensure Compact.

S. 255. An act relating to miscellaneous agricultural subjects.

S. 269. An act relating to blockchain, cryptocurrency, and financial technology.

S. 276. An act relating to rural economic development.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 51.

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

By Senator Ashe,

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

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 16, 2018, it be to meet again no later than Tuesday, March 20, 2018.

Bills Referred

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

H. 237.

An act relating to saliva testing.

To the Committee on Judiciary.

H. 614.

An act relating to the sale and use of fireworks.

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

H. 675.

An act relating to conditions of release prior to trial.

To the Committee on Judiciary.

H. 684.

An act relating to professions and occupations regulated by the Office of Professional Regulation.

To the Committee on Government Operations.

H. 700.

An act relating to the Open Meeting Law and meeting minutes.

To the Committee on Government Operations.

H. 711.

An act relating to employment protections for crime victims.

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

H. 727.

An act relating to the admissibility of a child's hearsay statements in a proceeding before the Human Services Board.

To the Committee on Judiciary.

H. 728.

An act relating to bail reform.

To the Committee on Judiciary.

H. 731.

An act relating to miscellaneous workers' compensation and occupational safety amendments.

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

H. 836.

An act relating to electronic court filings for relief from abuse orders.

To the Committee on Judiciary.

H. 901.

An act relating to health information technology and health information exchange.

To the Committee on Health and Welfare.

Bill Amended; Third Reading Ordered

S. 206.

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

An act relating to business consumer protection for point-of-sale equipment leases.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

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

Subchapter 9. Credit Card Terminal Leases

§ 2482h. SOLICITATION; MATERIAL MISREPRESENTATION

(a) As used in this subchapter, "credit card terminal" means physical equipment used at the point of sale to accept payment by a payment card, including a credit card, debit card, EBT card, prepaid card, or gift card.

(b) A person who solicits a lease for the use of a credit card terminal:

(1) shall accurately disclose, orally and in writing, the nature and scope of his or her relationship to the person or persons who own, lease, service, and finance the credit card terminal or provide related services, including whether he or she is an employee, independent contractor, or agent of one or more of those persons;

(2) shall accurately disclose the terms of a lease and whether oral statements or commitments he or she makes to the prospective lessee while soliciting a lease are included in the terms of the lease and enforceable against a party to a lease; and

(3) shall not make a material misrepresentation to the prospective lessee concerning the nature of his or her relationships pursuant to subdivision (1) of this subsection, or concerning a lease and its terms pursuant to subdivision (2) of this subsection.

§ 2482i. CREDIT CARD TERMINAL; LEASE PROVISIONS

The following provisions apply to a lease for the use of a credit card terminal:

(1) Plain language. The party primarily responsible for drafting the lease shall use plain language designed to be understood by ordinary consumers, presented in a reasonable format, typeface, and font.

(2) Lease; option to purchase; total cost; disclosure.

(A) The lease shall specify whether the consumer has an option to purchase the credit card terminal that is the subject of the lease, and if so, the purchase price and terms.

(B) If the lessor does not offer the option to purchase the credit card terminal, the lease shall include a disclaimer that the lessee may be able to purchase the same or a similar credit card terminal from another source.

(C) The lease shall specify the terms of the lease and shall provide a cap on the total cost the lessee is required to pay to use the credit card terminal, which shall not exceed 300 percent of the lessor's original purchase price for the credit card terminal or, if the lessor is the manufacturer of the credit card terminal, its total cost of manufacture.

(3) Relationship to processing services and fees.

(A) The lease shall not include terms governing credit card processing services or fees, which shall be the subject of a separate agreement between the lessee of the credit card terminal and the processing service provider.

(B) The lease shall clearly disclose that the lessee has no obligation to contract or negotiate with the lessor, or any affiliate, for processing services or fees.

(C) A lessor shall not condition the terms of the lease, or increase the total cost to lease or purchase the credit card terminal, based on whether the lessee agrees to contract with the lessor, or any affiliate, for processing services.

(4) Contact information. The lease shall clearly and conspicuously identify the lessor of the credit card terminal and the name, mailing address, telephone number, and relationship to the lessor of:

(A) the person to whom the lessee is required to make payments for the credit card terminal;

(B) the person whom the lessee should contact with questions or problems concerning the credit card terminal;

(C) the person to whom the lessee should deliver the credit card terminal for return or repair; and

(D) the sales representative or other person acting with actual or apparent authority on behalf of the lessor to solicit the lease.

(5) Record keeping. A lessor shall retain the following information in electronic format or hard copy for not less than four years after the lease ends:

(A) the lease; and

(B) a record that establishes the lessor's original purchase price for the credit card terminal or, if the lessor is the manufacturer of the credit card terminal, its total cost of manufacture.

(6) Prohibited provisions.

(A) If the judicial forum chosen by the parties to the lease is a forum that would not otherwise have jurisdiction over the lessee, the choice is not enforceable.

(B) A lessor shall not collect any charge or fee for business personal property tax on the credit card terminal unless the tax is actually imposed.

(7) Duty to provide lease; right to cancel.

(A) A lessor shall have the duty to provide a copy of the executed lease to the lessee.

(B) A lessee shall have the right to cancel a lease not later than 45 days after the lessor provides a copy of the executed lease to the lessee.

§ 2482j. VIOLATIONS

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

Sec. 2. RULEMAKING

On or before October 1, 2018, the Attorney General shall initiate rulemaking to implement the provisions of this act, including rules to govern minimum disclosure and formatting requirements.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 261.

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

An act relating to mitigating trauma and toxic stress during childhood by strengthening child and family resilience.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Purpose * * *

Sec. 1. PURPOSE

It is the purpose of this act to create a consistent family support system by enhancing opportunities to build child and family resilience for all families throughout the State that are experiencing childhood trauma and toxic stress. While significant efforts to provide upstream services are already well under way in many parts of the State, better coordination is necessary to ensure that gaps in services are addressed and redundancies do not occur. Coordination of upstream services that are cost effective and either research based or research informed decrease the necessity for more substantial downstream services, including services for opioid addiction and other substance use disorders.

* * * Human Services Generally * * *

Sec. 2. 33 V.S.A. § 3402 is added to read:

§ 3402. DEFINITIONS

As used in this chapter:

(1) "Toxic stress" means strong, frequent, or prolonged experience of adversity without adequate support.

(2) "Trauma-informed" means a type of program, organization, or system that recognizes the widespread impact of trauma and 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 actively to resist retraumatization and build resilience among the population served.

Sec. 3. 33 V.S.A. § 3403 is added to read:

§ 3403. EXPANSION OF SUPPORT SERVICES IN PEDIATRIC PRIMARY CARE

The Commissioner for Children and Families, in collaboration with the State's parent-child center network, shall implement a program linking pediatric primary care with support services in each county of the State. The Commissioner shall select at least one new county annually in which to implement a program based on regional need and available pediatric and parent-child center partners. The Commissioner may accept private grants and

donations for the purpose of funding the expansion. Each county shall have at least one pediatric primary care and support service partnership on or before January 1, 2023.

Sec. 4. 33 V.S.A. § 3404 is added to read:

§ 3404. CHILDREN OF INCARCERATED PARENTS

The Departments for Children and Families and of Corrections shall make joint referrals as appropriate for children of incarcerated parents to existing programs within each child's community that address childhood trauma, toxic stress, and resilience building.

Sec. 5. DIRECTOR OF PREVENTION

(a)(1) The position of Director of Prevention shall be established within the Agency of Human Services for a period of six fiscal years. It is the intent of the General Assembly that the Director position is funded by repurposing existing expenditures and resources designated for substance use disorder, including opioid addiction, and related prevention activities.

(2) The Director shall direct the Agency's response on behalf of clients who have experienced childhood trauma and toxic stress, including:

(A) reducing or eliminating ongoing sources of childhood trauma and toxic stress;

(B) strengthening existing programs and establishing new programs within the Agency that build resilience among individuals who have experienced childhood trauma and toxic stress;

(C) providing advice and support to the Secretary of Human Services and facilitating communication and coordination among the Agency's departments with regard to childhood trauma, toxic stress, and the promotion of resilience building;

(D) training all Agency employees on childhood trauma, toxic stress, resilience building, and the Agency's Trauma-Informed System of Care policy and posting training opportunities for child care providers, afterschool program providers, educators, and health care providers on the Agency's website;

(E) collaborating with community partners to build consistency between trauma-informed systems that address medical and social service needs, including serving as a conduit between providers and the public;

(F) coordinating the Agency's approach to childhood trauma, toxic stress, and resilience building with any similar efforts occurring elsewhere in State government;

(G) providing support for and disseminating educational materials pertaining to the Agency's Building Flourishing Communities initiative;

(H) regularly meeting with the Child and Family Trauma Work Group; and

(I) ensuring that the Agency and its community partners are leveraging all available federal funds for services related to preventing and mitigating childhood trauma and toxic stress and building child and family resilience.

(b) The Director shall present updates on the progress of his or her work to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare in January of each year between 2019 and 2024, including any recommendations for legislative action.

(c) On or before January 15, 2024, the Director shall submit a written report to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare summarizing the Director's achievements, existing gaps in trauma-informed services, and recommendations for future action.

Sec. 6. COORDINATED RESPONSE TO CHILDHOOD TRAUMA WITH JUDICIAL BRANCH

On or before January 15, 2020, the Chief Justice of the Supreme Court or designee and the Agency of Human Services' Director of Prevention shall jointly present an action plan to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare for better coordinating the Judicial and Executive Branches' approaches for preventing and mitigating childhood trauma and toxic stress and building child and family resilience, including any recommendations for legislative action.

Sec. 7. TRAUMA-INFORMED TRAINING FOR CHILD CARE PROVIDERS

The Agency of Human Services' Director of Prevention, in consultation with stakeholders, shall develop and implement a plan to promote access to and training on the use of trauma-informed practices that build resilience among children and students for the employees of registered and licensed family child care homes, center-based child care and preschool programs, and afterschool programs. On or before January 15, 2019, the Director shall present information about the plan and its implementation to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare. "Trauma-informed" shall have the same meaning as in 33 V.S.A. § 3402.

Sec. 8. CHILD CARE AND COMMUNITY-BASED FAMILY SUPPORT SYSTEM; EVALUATION

The Agency of Human Services' Director of Prevention shall develop a framework for evaluating the workforce, payment streams, and real costs associated with the State's child care system and community-based family support system. The framework shall indicate the most appropriate entity to conduct this evaluation as well as articulate the anticipated outcomes of the evaluation. The Director shall present the framework to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare on or before January 15, 2019.

Sec. 9. SYSTEM EVALUATION

(a) The Commissioner of Health shall determine the appropriate methodology for evaluating the work of the Agency of Human Services related to childhood trauma, toxic stress, and resilience that shall include use of results-based accountability measures currently collected by the Agency. On or before January 1, 2019, the Commissioner shall submit the recommended evaluation methodology to the Director of Prevention and the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare.

(b) The Director shall implement the Commissioner's recommended evaluation methodology for the purpose of understanding better the strengths and weaknesses of current efforts to address childhood trauma, toxic stress, and resilience statewide.

(c) As used in this section, "toxic stress" shall have the same meaning as in 33 V.S.A. § 3402.

* * * Health Care * * *

Sec. 10. BRIGHT FUTURES GUIDELINES; INTENT

(a) It is the intent of the General Assembly that the Bright Futures Guidelines shall serve as a bridge between clinical and community providers in a shared goal to promote healthy child and family development.

(b) The Bright Futures Guidelines shall be used as a resource in Vermont for all individuals and organizations that provide care and support services to children and families for the purpose of promoting healthy development and encouraging screening for social determinants of health.

(c) The Bright Futures Guidelines shall inform the work of the Agency of Human Services' Building Flourishing Communities initiative.

Sec. 11. 18 V.S.A. § 702 is amended to read:

§ 702. BLUEPRINT FOR HEALTH; STRATEGIC PLAN

* * *

(c) The Blueprint shall be developed and implemented to further the following principles:

(1) ~~the~~ The primary care provider should serve a central role in the coordination of medical care and social services and shall be compensated appropriately for this effort~~;~~.

(2) ~~use~~ Use of information technology should be maximized~~;~~.

(3) ~~local~~ Local service providers should be used and supported, whenever possible~~;~~.

(4) ~~transition~~ Transition plans should be developed by all involved parties to ensure a smooth and timely transition from the current model to the Blueprint model of health care delivery and payment~~;~~.

(5) ~~implementation~~ Implementation of the Blueprint in communities across the State should be accompanied by payment to providers sufficient to support care management activities consistent with the Blueprint, recognizing that interim or temporary payment measures may be necessary during early and transitional phases of implementation~~; and~~.

(6) ~~interventions~~ Interventions designed to prevent chronic disease and improve outcomes for persons with chronic disease should be maximized, should target specific chronic disease risk factors, and should address changes in individual behavior~~;~~; the physical, mental, and social environment~~;~~; and health care policies and systems.

(7) Providers should assess trauma and toxic stress to ensure that the needs of the whole patient are addressed and opportunities to build resilience and community supports are maximized.

* * *

Sec. 12. 18 V.S.A. § 9382 is amended to read:

§ 9382. OVERSIGHT OF ACCOUNTABLE CARE ORGANIZATIONS

(a) In order to be eligible to receive payments from Medicaid or commercial insurance through any payment reform program or initiative, including an all-payer model, each accountable care organization shall obtain and maintain certification from the Green Mountain Care Board. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and

processes for certifying accountable care organizations. To the extent permitted under federal law, the Board shall ensure these rules anticipate and accommodate a range of ACO models and sizes, balancing oversight with support for innovation. In order to certify an ACO to operate in this State, the Board shall ensure that the following criteria are met:

* * *

(17) For preventing and addressing the impacts of adverse childhood experiences and other traumas, the ACO provides connections to existing community services and incentives, such as developing quality-outcome measurements for use by primary care providers working with children and families, developing partnerships between nurses and families, providing opportunities for home visits and other community services, and including parent-child centers, designated agencies, and the Department of Health's local offices as participating providers in the ACO.

* * *

Sec. 13. SCHOOL NURSES; HEALTH-RELATED BARRIERS TO LEARNING

On or before September 1, 2018, the Agency of Human Services' Director of Prevention shall coordinate with the Vermont State School Nurse Consultant and with the Agency of Education systematically to support local education agencies, school administrators, and school nurses in ensuring that all students' health appraisal forms are completed on an annual basis to enable school nurses to identify students' health-related barriers to learning.

* * * Opioid Abuse Treatment * * *

Sec. 14. 33 V.S.A. § 2004a is amended to read:

§ 2004a. EVIDENCE-BASED EDUCATION AND ADVERTISING FUND

(a) The Evidence-Based Education and Advertising Fund is established in the State Treasury as a special fund to be a source of financing for activities relating to fund collection and analysis of information on pharmaceutical marketing activities under 18 V.S.A. §§ 4632 and 4633; for analysis of prescription drug data needed by the Office of the Attorney General for enforcement activities; for the Vermont Prescription Monitoring System established in 18 V.S.A. chapter 84A; for the evidence-based ~~education~~ educational program established in 18 V.S.A. chapter 91, subchapter 2; for statewide unused prescription drug disposal initiatives; for the prevention of prescription drug misuse, abuse, and diversion; for prevention and treatment of substance use disorder; for exploration of nonpharmacological approaches to pain management; for a hospital antimicrobial program for the purpose of

reducing hospital-acquired infections; for the purchase and distribution of naloxone to emergency medical services personnel; for evidence-based or evidence-informed opioid-related programming conducted for the benefit of children and families; and for the support of any opioid-antagonist ~~education~~ educational, training, and distribution program operated by the Department of Health or its agents. Monies deposited into the Fund shall be used for the purposes described in this section.

* * *

* * * Education * * *

Sec. 15. 16 V.S.A. § 136 is amended to read:

§ 136. WELLNESS PROGRAM; ADVISORY COUNCIL ON WELLNESS AND COMPREHENSIVE HEALTH

* * *

(c) The Secretary shall collaborate with other agencies and councils working on childhood wellness to:

(1) Supervise the preparation of appropriate nutrition and fitness curricula for use in the public schools, promote programs for the preparation of teachers to teach these curricula, and assist in the development of wellness programs.

(2) [Repealed.]

(3) Establish and maintain a website that displays data from a youth risk behavior survey in a way that enables the public to aggregate and disaggregate the information. The survey may include questions pertaining to adverse childhood experiences, meaning those potentially traumatic events that occur during childhood and can have negative, lasting effects on an individual's health and well-being.

(4) Research funding opportunities for schools and communities that wish to build wellness programs and make the information available to the public.

(5) Create a process for schools to share with the Department of Health any data collected about the height and weight of students in kindergarten through grade six. The Commissioner of Health may report any data compiled under this subdivision on a countywide basis. Any reporting of data must protect the privacy of individual students and the identity of participating schools.

* * *

Sec. 16. 16 V.S.A. § 2902 is amended to read:

§ 2902. TIERED SYSTEM OF SUPPORTS AND EDUCATIONAL SUPPORT TEAM

* * *

(b) The tiered system of supports shall:

(1) be aligned as appropriate with the general education curriculum;

(2) be designed to enhance the ability of the general education system to meet the needs of all students;

(3) be designed to provide necessary supports promptly, regardless of an individual student's eligibility for categorical programs;

(4) seek to identify and respond to students in need of support for at-risk behaviors and to students in need of specialized, individualized behavior supports; ~~and~~

(5) provide all students with a continuum of evidence-based and research-based behavior practices, including trauma-sensitive programming, that teach and encourage prosocial skills and behaviors schoolwide;

(6) promote collaboration with families, community supports, and the system of health and human services; and

(7) provide professional development as needed to support all staff in implementing the system.

(c) The educational support team for each public school in the district shall be composed of staff from a variety of teaching and support positions and shall:

(1) Determine which enrolled students require additional assistance to be successful in school or to complete secondary school based on indicators set forth in guidelines developed by the Secretary, such as academic progress, attendance, behavior, or poverty. The educational support team shall pay particular attention to students during times of academic or personal transition and to those students who have been exposed to trauma.

* * *

Sec. 17. 16 V.S.A. § 2904 is amended to read:

§ 2904. REPORTS

Annually, each superintendent shall report to the Secretary in a form prescribed by the Secretary~~,~~ on the status of the ~~educational support systems~~ multi-tiered system of supports in each school ~~in the supervisory union~~. The

report shall describe the services and supports that are a part of the ~~education support system~~ multi-tiered system of supports, how they are funded, and how building the capacity of the ~~educational support system~~ multi-tiered system of supports has been addressed in the ~~school action plans,~~ school's continuous improvement plan and professional development and shall be in addition to the report required of the ~~educational support~~ multi-tiered system of supports team in subdivision 2902(c)(6) of this chapter. The superintendent's report shall include a description and justification of how funds received due to Medicaid reimbursement under section 2959a of this title were used.

* * * Appropriation * * *

Sec. 18. APPROPRIATION

The amount of $119,503.00 shall be appropriated from funds designated for the Office of the Secretary of Human Services in the fiscal year 2019 budget bill to pay for the Director of Prevention position established in Sec. 5 of this act.

* * * Effective Date * * *

Sec. 19. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported that they have considered the same and recommend that the bill be amended as recommended by the Committee on Health and Welfare with the following amendments thereto:

First: In Sec. 5, in the section heading, after "PREVENTION", by inserting AND HEALTH IMPROVEMENT and by striking out subdivision (a)(1) and inserting in lieu thereof a new subdivision (a)(1) to read as follows:

(a)(1) The position of Director of Prevention and Health Improvement shall be established within the Agency of Human Services. It is the intent of the General Assembly that the Director position be funded by the repurposing of existing expenditures and resources, including the potential reassignment of existing positions. If the Secretary determines to fund this position by reassigning an existing position, he or she shall propose to the Joint Fiscal Committee prior to October 1, 2018 any necessary statutory modifications to reflect the reassignment.

Second: In Sec. 6, after "Director of Prevention" and before "shall", by inserting and Health Improvement

Third: In Sec. 7, in the first sentence, after "Director of Prevention" and before the comma, by inserting and Health Improvement

Fourth: In Sec. 8, in the first sentence, after "Director of Prevention", by inserting and Health Improvement

Fifth: In Sec. 9, in subsection (a), in the second sentence, after "Director of Prevention", by inserting and Health Improvement

Sixth: In Sec. 13, after "Director of Prevention" and before "shall", by inserting and Health Improvement

Seventh: By striking out Sec. 18 in its entirety and inserting in lieu thereof a new Sec. 18 to read as follows:

Sec. 18. REALLOCATION OF RESOURCES

(a) In an effort to eliminate duplicated efforts and realize savings, the Secretary of Human Services shall review working groups, commissions, and other initiatives pertaining to childhood trauma, substance use disorder, and mental health for the purpose of determining their effectiveness and budgetary impact. The working groups, commissions, and other initiatives addressed shall include:

(1) the Alcohol and Drug Abuse Council pursuant to 18 V.S.A. § 4803;

(2) the Controlled Substances and Pain Management Advisory Council pursuant 18 V.S.A. § 4255;

(3) the Domestic Violence Fatality Review Commission pursuant to 15 V.S.A. § 1140;

(4) the Mental Health Crisis Response Commission pursuant to 18 V.S.A. § 7257a;

(5) the Tobacco Evaluation and Review Board pursuant to 18 V.S.A. § 9504;

(6) the Governor's Marijuana Advisory Commission; and

(7) the Governor's Opioid Coordination Council.

(b) On or before October 1, 2018, the Secretary shall submit a report containing findings and recommendations for legislative action to the Senate Committees on Appropriations and on Health and Welfare and to the House Committees on Appropriations, on Health Care, and on Human Services. Any savings identified in conducting this review may be used to fund the Director of Prevention and Health Improvement position established in Sec. 5 of this act.

And that when so amended the bill ought to pass.

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

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bills Amended; Third Readings Ordered

S. 166.

Senator Rodgers, for the Committee on Institutions, to which was referred Senate bill entitled:

An act relating to the provision of medication-assisted treatment for inmates.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. § 4750 is added to read:

§ 4750. DEFINITION

As used in this chapter, "medication-assisted treatment" means the use of certain medications, including either methadone or buprenorphine, in combination with any clinically indicated counseling and behavioral therapies for the treatment of opioid use disorder.

Sec. 2. 28 V.S.A. § 801 is amended to read:

§ 801. MEDICAL CARE OF INMATES

* * *

(b) ~~Upon~~ Within 24 hours after admission to a correctional facility ~~for a minimum of 14 consecutive days~~, each inmate shall be ~~given a physical assessment~~ screened for opioid use disorders as part of the inmate's initial health care screening unless extenuating circumstances exist.

* * *

(e)(1) Except as otherwise provided in this subsection, an ~~offender~~ inmate who is admitted to a correctional facility while under the medical care of a licensed physician, a licensed advanced practice registered nurse, or a licensed nurse practitioner and who is taking medication at the time of admission

pursuant to a valid prescription as verified by the inmate's pharmacy of record, primary care provider, other licensed care provider, or as verified by the Vermont Prescription Monitoring System or other prescription monitoring or information system, including buprenorphine, methadone, or other medication prescribed in the course of medication-assisted treatment, shall be entitled to continue that medication and to be provided that medication by the Department pending an evaluation by a licensed physician, a licensed physician assistant, a licensed nurse practitioner, or a licensed advanced practice registered nurse. However, the Department may defer provision of medication in accordance with this subsection if, in the clinical judgment of a licensed physician, a physician assistant, a nurse practitioner, or an advanced practice registered nurse, it is not in the inmate's best ~~interest~~ interests to continue the medication at that time. The licensed practitioner who makes the clinical judgment shall enter the reason for the discontinuance into the inmate's permanent medical record. It is not the intent of the General Assembly that this subsection shall create a new or additional private right of action.

(2) If an inmate screens positive as having a moderate or high risk for opioid use disorder pursuant to subsection (b) of this section and has not been receiving medication-assisted treatment prior to admission to a correctional facility, the inmate may elect to commence buprenorphine-specific medication-assisted treatment if it is deemed clinically appropriate and in the inmate's best interests by a qualified provider.

(3) As used in this subsection, "medication-assisted treatment" shall have the same meaning as in 18 V.S.A. § 4750.

* * *

Sec. 3. RECEIPT OF METHADONE-SPECIFIC MEDICATION-ASSISTED TREATMENT BY INMATES; PLAN

(a) The Commissioners of Corrections and of Health jointly shall develop a plan to operationalize the use of methadone as part of medication-assisted treatment provided to inmates housed in a correctional facility who screen positive as moderate or high risk opioid users while in the custody of the Department of Corrections. The plan shall address:

(1) whether the Department of Health's or the Department of Corrections' contracted provider of health care services shall determine whether medication-assisted treatment is deemed clinically appropriate and whether it is in an inmate's best interests for methadone-specific medication-assisted treatment to be initiated while the individual is in the Department of Corrections' custody or upon his or her reentry to the community;

(2) whether the prescriptive authority for methadone shall be maintained by designated community-based treatment providers or the Department of Corrections' contracted provider of health care services and how it shall be administered to appropriate inmates; and

(3) an estimate of the costs to implement the plan developed pursuant to this section.

(b) On or before October 1, 2018, the Commissioners jointly shall submit the plan developed pursuant to subsection (a) of this section to the Joint Legislative Justice Oversight Committee. If there are not barriers beyond the control of the State, the Departments shall take steps to operationalize fully the plan, including addressing any budgetary concerns.

(c) As used in this section, "medication-assisted treatment" shall have the same meaning as in 18 V.S.A. § 4750.

Sec. 4. MEMORANDUM OF UNDERSTANDING; MEDICATION-ASSISTED TREATMENT IN STATE CORRECTIONAL FACILITIES

(a) On or before December 31, 2018, the Departments of Corrections and of Health may enter into a memorandum of understanding with opioid treatment programs throughout the State, certified and accredited pursuant to 42 C.F.R. part 8, that serve regions in which a State correctional facility is located to provide medication-assisted treatment to inmates who screen positive as moderate or high risk opioid users. Treatment received pursuant to this section shall be coordinated pursuant to 18 V.S.A. § 4753.

(b) As used in this section, "medication-assisted treatment" shall have the same meaning as in 18 V.S.A. § 4750.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

S. 229.

Senator Baruth, for the Committee on Education, to which was referred Senate bill entitled:

An act relating to State Board of Education approval of independent schools.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS AND GOALS

(a) The General Assembly created the Approved Independent Schools Study Committee in 2017 Acts and Resolves No. 49 to consider and make recommendations on the criteria to be used by the State Board of Education for designation of an "approved" independent school. The Committee was specifically charged to consider and make recommendations on:

(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.

(b) The General Assembly in Act 49 directed the State Board of Education to suspend further development of the amendments to its rules for approval of independent schools pending receipt of the report of the Committee.

(c) The Committee issued its report in December 2017, noting that, while it was unable to reach consensus on specific legislative language, it did agree unanimously that Vermont students with disabilities should be free to attend the schools that they, their parents, and their local education agency deem appropriate to them.

(d) This act completes that work and provides the direction necessary for the State Board of Education to develop further the amendments to its rules for approval of independent schools.

Sec. 2. 16 V.S.A. § 166 is amended to read:

§ 166. APPROVED AND RECOGNIZED INDEPENDENT SCHOOLS

* * *

(b) Approved independent schools.

(1) On application, the State Board shall approve an independent school that offers elementary or secondary education if it finds, after opportunity for hearing, that the school provides a minimum course of study pursuant to section 906 of this title and that it substantially complies with all statutory requirements for approved independent schools and the Board's rules for approved independent schools. An independent school that intends to accept

public tuition shall be approved by the State Board only on the condition that the school agrees, notwithstanding any provision of law to the contrary, to enroll any student who requires special education services and who is placed in or referred to the approved independent school as an appropriate placement and least restrictive environment for the student by the student's individualized education plan team or by the local education agency; provided, however, that this requirement shall not apply to an independent school that limits enrollment to students who are on an individualized education plan or a plan under Section 504 of the Rehabilitation Act of 1973 and who are enrolled pursuant to a written agreement between the local education agency and the school.

(2) Except as provided in subdivision (6) of this subsection, the Board's rules must at minimum require that the school has the resources required to meet its stated objectives, including financial capacity, faculty who are qualified by training and experience in the areas in which they are assigned, and physical facilities and special services that are in accordance with any State or federal law or regulation.

(3) Approval may be granted without State Board evaluation in the case of any school accredited by a private, State, or regional agency recognized by the State Board for accrediting purposes, provided that the State Board shall determine that the school complies with all student enrollment provisions required by law.

* * *

(5) The State Board may revoke, ~~or~~ suspend, or impose conditions upon the approval of an approved independent school, after having provided an opportunity for a hearing, for substantial failure to comply with the minimum course of study, for failure to demonstrate that the school has the resources required to meet its stated objectives, for failure to comply with statutory requirements or the Board's rules for approved independent schools, or for failure to report under subdivision (4) of this subsection (b). Upon that revocation or suspension, students required to attend school who are enrolled in that school shall become truant unless they enroll in a public school, an approved or recognized independent school, or a home study program.

* * *

(8)(A) If an approved independent school experiences any of the following financial reporting events during the period of its approved status, the school shall notify the Secretary of Education within five days after its knowledge of the event unless the failure is de minimis:

(i) the school's failure to file its federal or State tax returns when due, after permissible extension periods have been taken into account;

(ii) the school's failure to meet its payroll obligations as they are due or to pay federal or State payroll tax obligations as they are due;

(iii) the school's failure to maintain required retirement contributions;

(iv) the school's use of designated funds for nondesignated purposes;

(v) the school's inability to fully comply with the financial terms of its secured installment debt obligations over a period of two consecutive months, including the school's failure to make interest or principal payments as they are due or to maintain any required financial ratios;

(vi) the withdrawal or conditioning of the school's accreditation on financial grounds by a private, State, or regional agency recognized by the State Board for accrediting purposes; or

(vii) the school's insolvency, as defined in 9 V.S.A. § 2286(a).

(B)(i) If the State Board reasonably believes that an approved independent school lacks financial capacity to meet its stated objectives during the period of its approved status, then the State Board shall notify the school in writing of the reasons for this belief and permit the school a reasonable opportunity to respond.

(ii) If the State Board, after having provided the school a reasonable opportunity to respond, does not find that the school has satisfactorily responded or demonstrated its financial capacity, the State Board may establish a review team, that, with the consent of the school, includes a member of the Council of Independent Schools, to:

(I) conduct a school visit to assess the school's financial capacity;

(II) obtain from the school such financial documentation as the review team requires to perform its assessment; and

(III) submit a report of its findings and recommendations to the State Board.

(iii) If the State Board concludes that an approved independent school lacks financial capacity to meet its stated objectives during the period of its approved status, the State Board may take any action that is authorized by this section.

(iv) In considering whether an independent school lacks financial capacity to meet its stated objectives during the period of its approved status and what actions the State Board should take if it makes this finding, the State Board may consult with, and draw on the analytical resources of, the Vermont Department of Financial Regulation.

(C) Information provided by an independent school under this subsection that is not already in the public domain is exempt from public inspection and copying under the Public Records Act and shall be kept confidential.

* * *

Sec. 3. 16 V.S.A. § 2973 is amended to read:

§ 2973. INDEPENDENT ~~SCHOOL TUITION RATES~~ SCHOOLS

(a)(1) Notwithstanding any provision of law to the contrary, an approved independent school that accepts public tuition shall enroll any student with an individualized education plan who requires special education services and who is placed in the approved independent school as an appropriate placement and least restrictive environment for the student by the student's individualized education plan team or by the local education agency (LEA); provided, however, that this requirement shall not apply to an independent school that limits enrollment to students who are on an individualized education plan or a plan under Section 504 of the Rehabilitation Act of 1973 and who are enrolled pursuant to a written agreement between the LEA and the school.

(2) In placing a student with an independent school under subdivision (1) of this subsection, the student's individualized education plan team and the LEA shall comply with all applicable federal and State requirements.

(3) An approved independent school is not required to demonstrate that it has the resources to serve every category of special education in order to be approved or retain its approval to receive public funding for general tuition.

(4) The terms "special education services," "LEA," and "individualized education plan" or "IEP" as used in this section shall have the same meanings as defined by State Board rules.

(b)(1) The Secretary of Education shall establish minimum standards of services for students receiving special education services in independent schools in Vermont~~; shall set, after consultation with independent schools in Vermont, the maximum rates to be paid by the Agency and school districts for tuition, room, and board based on the level of services;~~ and may advise independent schools as to the need for certain special education services in Vermont.

(2)(A) The Secretary of Education shall set, after consultation with independent schools in Vermont, and based on the level of services provided by the schools, the maximum rates to be paid by the Agency and supervisory unions or school districts for tuition, room, and board for residential placement of students who require special education services. The amount charged by an independent school for tuition shall reflect the school's actual or anticipated costs of providing special education services to the student and shall not exceed the maximum rates set by the Secretary, provided that the Secretary may permit charges in excess of these maximum rates where the Secretary deems warranted.

(B)(i) An approved independent school that enrolls a student under subdivision (a)(1) of this section on a nonresidential basis may bill the responsible LEA for excess special education costs incurred by the independent school in providing special education services beyond those covered by general tuition. Reimbursement of these excess special education costs shall be based on the direct-costs rates approved by the Secretary for services actually provided to the student consistent with the Agency of Education Technical Manual for special education cost accounting. The Agency of Education shall publish specific elements that must be included as part of an independent school's invoice for excess special education costs, and these elements shall be included in the written agreement required under subdivision (c)(2) of this section.

(ii) In establishing the direct cost rates for reimbursement under this subdivision (B), the Secretary shall apply the principle of treating an approved independent school and a public school with parity in the amount of federal, State and local contributions to cover the costs of providing special education services.

(C)(i) The Secretary shall set, after consultation with independent schools in Vermont, the maximum tuition rates to be paid by the Agency and supervisory unions or school districts to independent schools that limit enrollment to students who are on an IEP or a plan under Section 504 of the Rehabilitation Act of 1973 and who are enrolled pursuant to a written agreement between the LEA and the school. The maximum tuition rates shall be based on the level of services provided by the school.

(ii) The tuition rates established by the Secretary under this subdivision (C) shall be no more than the costs that are reasonably related to the level of services provided by the school and shall be set forth on a form prescribed for that purpose by the Secretary of Education. The Secretary shall determine the relationship between costs and the level of services by using generally accepted accounting principles, such as those set forth in the Handbook (II) for Financial Accounting of Vermont School Systems.

(iii) After the Secretary approves a tuition rate for an independent school under this subdivision (C), the school shall not exceed that tuition rate until such time as a new tuition rate is approved by the Secretary.

(3) An approved independent school shall provide such documentation to the Secretary as the Secretary deems necessary in order to ensure that amounts payable under this subsection to the school are reasonable in relation to the special education services provided by the school. The Secretary may withhold, or direct an LEA to withhold, payment under this subsection pending the Secretary's receipt of required documentation under this subsection, or may withhold, or direct an LEA to withhold, an amount determined by the Secretary as not reasonable in relation to the special education services provided by the school.

(c)(1) In order to be approved as an independent school eligible to receive State funding under subdivision (a)(1) of this section, the school shall demonstrate the ability to serve students with disabilities by:

(A) demonstrating an understanding of special education requirements, including the:

(i) provision of a free and appropriate public education in accordance with federal and State law;

(ii) provision of education in the least restrictive environment in accordance with federal and State law;

(iii) characteristics and educational needs associated with any of the categories of disability or suspected disability under federal and State law; and

(iv) procedural safeguards and parental rights, including discipline procedures, specified in federal and State law;

(B) committing to implementing the IEP of an enrolled student with special education needs, providing the required services, and appropriately documenting the services and the student's progress;

(C) subject to subsection (d) of this section, employing or contracting with staff who have the required licensure to provide special education services;

(D) agreeing to communicate with the responsible LEA concerning:

(i) the development of, and any changes to, the IEP;

(ii) services provided under the IEP and recommendations for a change in the services provided;

(iii) the student's progress;

(iv) the maintenance of the student's enrollment in the independent school; and

(v) the identification of students with suspected disabilities; and

(E) committing to participate in dispute resolution as provided under federal and State law.

(2) An approved independent school that enrolls a student requiring special education services who is placed under subdivision (a)(1) of this section:

(A) shall enter into a written agreement with the LEA:

(i) committing to the requirements under subdivision (1) of this subsection (c); and

(ii) if the LEA provides staff or resources to the approved independent school on an interim basis under subsection (d) of this section, setting forth the terms of that arrangement with assistance from the Agency of Education on the development of those terms and on the implementation of the arrangement; and

(B) subject to subsection (d) of this section, shall ensure that qualified school personnel attend evaluation and planning meetings and IEP meetings for the student.

(d) If an approved independent school enrolls a student under subdivision (a)(1) of this section but does not have the staff or State Board certification to provide special education services in the specific disability category that the student requires, then:

(1) The LEA, in consultation with the approved independent school and the Agency of Education, shall determine what special education services and supports the school is able to provide to the student.

(2) The LEA shall, on an interim basis and at its cost, provide such additional staff and other resources to the approved independent school as are necessary to support the student until such time as the approved independent school is able to directly provide these services and has the appropriate State Board certification; provided, however, that the school shall have all required staff and resources and the appropriate State Board certification within nine academic months after the date of the student's initial enrollment.

(3) If the school does not have all required staff and resources and the appropriate State Board certification within nine academic months after the date of the student's initial enrollment as required under subdivision (2) of this

subsection (d), then, in the event that the State Board determines that the school has failed to make good faith and reasonable efforts to secure the required staff, resources, and certification, the State Board may take any action that is authorized by section 166 of this title.

~~(b)~~(e) Neither a school ~~districts~~ district nor any State agency shall pay rates for tuition, room, and board~~,~~ for students receiving special education in independent schools outside Vermont that are in excess of allowable costs approved by the authorized body in the state in which the independent school is located, except in exceptional circumstances or for a child who needs exceptional services, as approved by the Secretary.

~~(c)~~(f) The State Board is authorized to enter into interstate compacts with other states to regulate rates for tuition, room, and board for students receiving special education in independent schools.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

Bill Passed

S. 241.

Senate bill of the following title was read the third time and passed:

An act relating to the makeup and duties of the Emergency Medical Services Advisory Committee.

Bill Recommitted

S. 154.

Senator Campion, for the Committee on Finance, to which was referred Senate bill entitled:

An act relating to exempting trailers in storage from the property tax.

Reported that the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be read the third time? On motion of Senator Campion, the bill was recommitted to the Committee on Finance.

Bills Amended; Third Readings Ordered

S. 173.

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

An act relating to sealing criminal history records when there is no conviction.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 7602 is amended to read:

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

* * *

(c)(1) The 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 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~~ in the last 7 years.

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

(D) Any restitution ordered by the 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 finds that expungement of the criminal history record for the qualifying crime serves the interest of justice.

* * *

Sec. 2. 13 V.S.A. § 7603 is amended to read:

§ 7603. EXPUNGEMENT AND SEALING OF RECORD, NO CONVICTION; PROCEDURE

(a) ~~A person who was cited or arrested for a qualifying crime or qualifying crimes arising out of the same incident or occurrence may file a petition with the court requesting expungement or~~ Unless either party objects in the interest

of justice, the court shall issue an order sealing ~~of~~ the criminal history record related to the citation or arrest ~~if one of the following conditions is met~~ of a person:

(1) ~~No criminal charge is filed by the State and the statute of limitations has expired.~~

~~(2) The~~ twelve months after the citation or arrest if:

(A) the court does not make a determination of probable cause at the time of arraignment or dismisses the charge at the time of arraignment ~~and the statute of limitations has expired.~~; or

~~(3)~~(B) ~~The~~ the charge is dismissed before trial~~:~~

~~(A)~~ without prejudice ~~and the statute of limitations has expired; or~~

~~(B) with prejudice~~.

~~(4)~~(2) ~~The~~ at any time if the prosecuting attorney and the defendant ~~and the respondent~~ stipulate that the court may grant the petition to ~~expunge and~~ seal the record.

(b) ~~The State's Attorney or Attorney General shall be the respondent in the matter.~~ If a party objects to sealing or expunging a record pursuant to this section, the court shall schedule a hearing to determine if sealing or expunging the record serves the interest of justice. The ~~petitioner~~ defendant and the ~~respondent~~ prosecuting attorney shall be the only parties in the matter.

(c) ~~The court shall grant the petition and order that the criminal history record be expunged pursuant to section 7606 of this title if it finds that expungement of the criminal history record serves the interest of justice.~~ [Repealed.]

(d) ~~The 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:~~

~~(1) The court finds that sealing the criminal history record better serves the interest of justice than expungement.~~

~~(2) The person committed the qualifying crime after reaching 19 years of age.~~ [Repealed.]

(e) Unless either party objects in the interest of justice, the court shall issue an order expunging a criminal history record related to the citation or arrest of a person:

(1) not more than 45 days after:

(A) acquittal if the defendant is acquitted of the charges; or

(B) dismissal if the charge is dismissed with prejudice before trial;

(2) at any time if the prosecuting attorney and the defendant stipulate that the court may grant the petition to expunge the record.

(f) Unless either party objects in the interest of justice, the court shall issue an order to expunge a record sealed pursuant to subsection (a) or (g) of this section after the statute of limitations has expired.

(g) A person may file a petition with the court requesting sealing or expungement of a criminal history record related to the citation or arrest of the person at any time. The court shall grant the petition and issue an order sealing or expunging the record if it finds that sealing or expunging the record serves the interest of justice.

(h) The court may expunge any records that were sealed pursuant to this section prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subsection, the court shall provide to the State's Attorney's office that prosecuted the case written notice of its intent to expunge the record.

(i)(1) The court shall keep a special index of cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.

(2) The special index and related documents specified in subdivision (1) of this subsection (i) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(3) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case or by the court if the court finds that inspection of the documents is necessary to serve the interest of justice. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(4) The Court Administrator shall establish policies for implementing this subsection.

Sec. 3. DEPARTMENT OF STATE'S ATTORNEYS AND SHERIFFS; EXPUNGEMENT-ELIGIBLE CRIMES; AUTOMATIC EXPUNGEMENT AND SEALING OF CRIMINAL HISTORY RECORDS; REPORT

The Department of State's Attorneys and Sheriffs, in consultation with the Office of the Court Administrator, the Vermont Crime Information Center, the

Office of the Attorney General, the Office of the Defender General, the Center for Crime Victim Services, and Vermont Legal Aid, shall:

(1) consider:

(A) expanding the list of qualifying crimes eligible for expungement pursuant to 13 V.S.A. § 7601 to include any nonviolent drug-related offenses;

(B) the implications of such an expansion on public health, economic development, and law enforcement efforts in the State; and

(C) the viability of automating the process of expunging and sealing criminal history records;

(2) seek input from the Vermont Governor's Opioid Coordination Council; and

(3) on or before November 1, 2018, report to the Joint Legislative Justice Oversight Committee on the findings of the group, including any recommendations on specific crimes to add to the definition of qualifying crimes pursuant to 13 V.S.A. § 7601.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

S. 224.

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

An act relating to co-payment limits for visits to chiropractors.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 8 V.S.A. § 4088a is amended to read:

§ 4088a. CHIROPRACTIC SERVICES

(a)(1) A health insurance plan shall provide coverage for clinically necessary health care services provided by a chiropractic physician licensed in this State for treatment within the scope of practice described in 26 V.S.A. chapter 10, but limiting adjunctive therapies to physiotherapy modalities and rehabilitative exercises. A health insurance plan does not have to provide coverage for the treatment of any visceral condition arising from problems or dysfunctions of the abdominal or thoracic organs.

(2) A health insurer may require that the chiropractic services be provided by a licensed chiropractic physician under contract with the insurer or upon referral from a health care provider under contract with the insurer.

(3) Health care services provided by chiropractic physicians may be subject to reasonable deductibles, co-payment and co-insurance amounts, fee or benefit limits, practice parameters, and utilization review consistent with any applicable regulations published by the Department of Financial Regulation; provided that any such amounts, limits, and review shall not function to direct treatment in a manner unfairly discriminative against chiropractic care~~,~~ and collectively shall be no more restrictive than those applicable under the same policy to care or services provided by other health care providers but allowing for the management of the benefit consistent with variations in practice patterns and treatment modalities among different types of health care providers.

(4) For qualified health benefit plans offered pursuant to 33 V.S.A. chapter 18, subchapter 1, health care services provided by a chiropractic physician may be subject to a co-payment requirement as long as the required co-payment amount is not greater than the amount of the co-payment applicable to care and services provided by a primary care provider under the plan.

(5) Nothing ~~herein~~ contained in this section shall be construed as impeding or preventing either the provision or coverage of health care services by licensed chiropractic physicians, within the lawful scope of chiropractic practice, in hospital facilities on a staff or employee basis.

* * *

Sec. 2. CHIROPRACTIC CO-PAYMENT LIMITS; PROSPECTIVE REPEAL

8 V.S.A. § 4088a(a)(4) (co-payment amounts for qualified health benefit plans) is repealed on January 1, 2022.

Sec. 3. CHIROPRACTIC CO-PAYMENT LIMITS; IMPACT REPORT

On or before January 15, 2021, the Green Mountain Care Board shall submit a report, to be prepared in consultation with the Department of Vermont Health Access and the health insurance carriers offering qualified health benefit plans on the Vermont Health Benefit Exchange, to the House Committee on Health Care and the Senate Committee on Finance regarding the impact of the chiropractic co-payment limits for qualified health benefit plans required by Sec. 1 of this act on utilization of chiropractic services, on the plans' premium rates, on the plans' actuarial values, and on plan designs, including any impacts on the cost-sharing levels and amounts for other health

care services.

Sec. 4. HEALTH INSURANCE RATE FILINGS; COMPLIANCE WITH CHIROPRACTIC CO-PAYMENT LIMITS

In conjunction with their qualified health benefit plan premium rate filings for plan years 2019, 2020, and 2021, each health insurance carrier shall provide information to the Green Mountain Care Board regarding any modifications to their proposed rates that are attributable to a plan's compliance with the co-payment limits for chiropractic care required by Sec. 1 of this act.

Sec. 5. EFFECTIVE DATES

(a) Sec. 1 (8 V.S.A. § 4088a) shall take effect on January 1, 2019 and shall apply to all health insurance plans issued on and after January 1, 2019 on such date as a health insurer offers, issues, or renews the health insurance plan, but in no event later than January 1, 2020.

(b) The remaining sections shall take effect on passage.

And that when so amended the bill ought to pass.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until twelve o'clock and thirty minutes in the afternoon on Wednesday, March 14, 2018.

WEDNESDAY, MARCH 14, 2018

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations

S. 53.

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 a universal, publicly financed primary care system.

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:

Humbert, Alicia Sacerio of Northfield - Magistrate of the Family Court - from March 14, 2018, to March 31, 2019.

To the Committee on Judiciary.

Kline, Scot L. of Essex - Superior Judge - from March 13, 2018, to March 31, 2023.

To the Committee on Judiciary.

Markowski, David of Florence - Member of the Transportation Board - from March 1, 2018, to February 28, 2021.

To the Committee on Transportation.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

S. 166. An act relating to the provision of medication-assisted treatment for inmates.

S. 173. An act relating to sealing criminal history records when there is no conviction.

S. 206. An act relating to business consumer protection for point-of-sale equipment leases.

S. 224. An act relating to co-payment limits for visits to chiropractors.

S. 261. An act relating to mitigating trauma and toxic stress during childhood by strengthening child and family resilience.

Bill Passed

S. 229.

Senate bill entitled:

An act relating to State Board of Education approval of independent schools.

Was taken up.

Thereupon, pending third reading of the bill, Senators Campion and Sears moved to amend the bill in Sec. 3, in 16 V.S.A. § 2973, by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) If an approved independent school enrolls a student under subdivision (a)(1) of this section but does not have the staff or State Board certification to provide special education services in the specific disability category that the student requires, then:

(1) The LEA, in consultation with the approved independent school and the Agency of Education, shall determine what special education services and supports the school is able to provide to the student.

(2) The LEA shall, for an interim period and at its cost, provide such additional staff and other resources to the approved independent school as are necessary to support the student. The interim period shall end upon the earlier of:

(A) the date upon which the approved independent school is able to provide these services directly and has the appropriate State Board certification; or

(B) the end of the academic year during which the student has been enrolled for the entirety of the academic year.

(3) If the school does not have all the required staff and resources and the appropriate State Board certification by the end of the academic year during which the student has been enrolled for the entirety of the academic year as required under subdivision (2) of this subsection, then, in the event that the State Board determines that the school has failed to make good faith and reasonable efforts to secure the required staff, resources, and certification, the State Board may take any action that is authorized by section 166 of this title.

Thereupon, pending the question, Shall the bill be amended as recommended by Senators Campion and Sears?, Senator Campion requested and was granted leave to withdraw the recommendation of amendment.

Thereupon, the bill was read the third time and passed.

Bill Amended; Third Reading Ordered

S. 168.

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

An act relating to employment protection for volunteer emergency responders.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 21 V.S.A. § 495o is added to read:

§ 495o. VOLUNTEER EMERGENCY RESPONDERS

(a) As used in this section:

(1) "Emergency medical personnel" shall include "emergency medical personnel," "ambulance service," "emergency medical services," and "first responder service" as defined in 24 V.S.A. § 2651.

(2) "Firefighter" shall have the same meaning as in 20 V.S.A. § 3151(3).

(3) "Volunteer emergency responder" means a volunteer firefighter or volunteer emergency medical personnel.

(b) An employer shall not discharge, discriminate, or retaliate against an employee because the employee was absent from work to perform duty as a volunteer emergency responder.

(c) This section shall not apply to any public safety agency or provider of emergency medical services if, as determined by the employer, the employee's absence would hinder the availability of public safety or emergency medical services.

(d) An employee that is a volunteer emergency responder shall notify his or her employer at the time of hire or at the time that the employee becomes a volunteer emergency responder and shall provide the employer with a written statement signed by the chief of the volunteer fire department or the designated director or chief of the ambulance service or emergency medical services stating that the employee is a volunteer emergency responder.

(e) Nothing in this section shall prohibit an employer from requiring an employee to provide reasonable notice that the employee is leaving work to respond to an emergency.

(f)(1) An employer shall not be required to compensate an employee for time that an employee is absent from employment while performing his or her duty as a volunteer emergency responder.

(2)(A) An employer may require an employee to use any accrued time off for time that the employee is absent from work while performing his or her duty as a volunteer emergency responder, provided that the employer shall compensate the employee for any accrued time off used at his or her normal hourly wage rate.

(B) Notwithstanding subdivision (A) of this subdivision (2), an employer shall not prevent an employee from performing his or her duty as a volunteer emergency responder due to a lack of accrued time off or paid leave.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

Senator Soucy moved to substitute a recommendation of amendment for the recommendation of amendment of the Committee on Economic Development, Housing and General Affairs as follows:

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

Sec. 1. 21 V.S.A. § 495o is added to read:

§ 495o. VOLUNTEER EMERGENCY RESPONDERS

(a) As used in this section:

(1) "Emergency medical personnel" shall include "emergency medical personnel," "ambulance service," "emergency medical services," and "first responder service" as defined in 24 V.S.A. § 2651.

(2) "Firefighter" shall have the same meaning as in 20 V.S.A. § 3151(3).

(3) "Volunteer emergency responder" means a volunteer firefighter or volunteer emergency medical personnel.

(b) An employer shall not discharge, discriminate, or retaliate against an employee because the employee was absent from work to perform duty as a volunteer emergency responder.

(c) This section shall not apply to:

(1) a public safety agency or provider of emergency medical services if, as determined by the employer, the employee's absence would hinder the availability of public safety or emergency medical services; or

(2) an employer that provides goods or services to the general public if the employee's absence would require the employer to suspend all business operations at a location that is open to the general public.

(d) An employee that is a volunteer emergency responder shall notify his or her employer at the time of hire or at the time that the employee becomes a volunteer emergency responder and shall provide the employer with a written statement signed by the chief of the volunteer fire department or the

designated director or chief of the ambulance service or emergency medical services stating that the employee is a volunteer emergency responder.

(e) Nothing in this section shall prohibit an employer from requiring an employee to provide reasonable notice that the employee is leaving work to respond to an emergency.

(f)(1) An employer shall not be required to compensate an employee for time that an employee is absent from employment while performing his or her duty as a volunteer emergency responder.

(2)(A) An employer may require an employee to use any accrued time off for time that the employee is absent from work while performing his or her duty as a volunteer emergency responder, provided that the employer shall compensate the employee for any accrued time off used at his or her normal hourly wage rate.

(B) Notwithstanding subdivision (A) of this subdivision (2), an employer shall not prevent an employee from performing his or her duty as a volunteer emergency responder due to a lack of accrued time off or paid leave.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

Which was agreed to.

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

Bills Amended; Third Readings Ordered

S. 180.

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

An act relating to the Vermont Fair Repair Act.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds:

(1) Manufacturers can make it difficult or impossible—whether inadvertently or intentionally—for consumers or independent repair technicians to fix their consumer electronic products, even for such minor repairs as replacing a battery or screen.

(2) Manufacturers may limit access to information or parts to correct defects to only those customers who are under warranty; may refuse access to information or parts for owners of older models; and may refuse to stock or sell parts at fair and reasonable prices. Consequently, consumers are often left with few options other than to buy new.

(3) Modern repairs involve electronics: any product that can have embedded electronics will eventually have embedded electronics. Repairing those electronics requires information, parts, firmware access, and tooling specifications from the product designers.

(4) The knowledge and tools to repair and refurbish consumer electronic products should be distributed as widely and freely as the products themselves. In contrast to centralized manufacturing, reuse must be broadly distributed to achieve economies of scale.

(5) Many manufacturers have made commitments to sustainability, repair, and reuse, and the innovation economy of Vermont and the United States has had many positive economic and environmental impacts. Legislation that further promotes extending the lifespan of consumer electronic products can create jobs and benefit the environment.

(6) As demonstrated by Massachusetts's experience with a right to repair initiative concerning automobiles in 2014, which resulted in a compromise between manufacturers and independent repair providers to adopt a voluntary nationwide approach for providing diagnostic codes and repair data available in a common format by the 2018 model year, legislative action to secure a right to repair can achieve positive benefits for manufacturers, independent businesses, and consumers.

Sec. 2. RIGHT TO REPAIR TASK FORCE; REPORT

(a) Creation. There is created the Right to Repair Task Force.

(b) Membership. The Task Force shall be composed of the following five members:

(1) one current member of the House of Representatives, appointed by the Speaker of the House;

(2) one current member of the Senate, appointed by the Committee on Committees;

(3) the Attorney General or designee;

(4) the Secretary of Commerce and Community Development or designee; and

(5) the Secretary of Digital Services or designee.

(c) Stakeholder engagement. The Task Force shall solicit testimony and participation in its work from representatives of relevant stakeholders, including authorized and independent repair providers, and consumer, environmental, agricultural, medical device, and other trade groups having an interest in consumer or business electronic product repairs.

(d) Powers and duties. The Task Force shall review and consider the following issues relating to potential legislation designed to secure the right to repair consumer electronic products, including personal electronic devices such as cell phones, tablets, and computers:

(1) the scope of products to include;

(2) economic costs and benefits, including economic development and workforce opportunities;

(3) effects on the cost and availability to consumers of new and used consumer electronic products in the marketplace, including diminished availability of refurbished products for secondary users;

(4) consequences or impacts for intellectual property and trade secrets;

(5) environmental and economic costs of a "throw-away" economy;

(6) legal issues, including potential for alignment or conflict with federal law, and litigation risks;

(7) issues relating to privacy and security features in electronic products; and

(8) any other issues the Task Force considers relevant and necessary to accomplish its work, including regulation of business consumer products or other products the Task Force finds appropriate.

(e) Assistance. The Task Force shall have the administrative, legal, and fiscal assistance of the Office of Legislative Council and the Joint Fiscal Office. Relevant agencies and departments within State government shall provide their technical and other expertise upon request of the Task Force.

(f) Report. On or before December 15, 2018, the Task Force shall submit a written report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development with its findings and any recommendations for legislative action, including specific findings and recommendations concerning personal electronic devices such as cell phones, tablets, and computers.

(g) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Task Force to occur on or before August 1, 2018.

(2) The legislative members of the Task Force shall serve as co-chairs.

(3) A majority of the membership shall constitute a quorum.

(4) The Task Force shall cease to exist on December 15, 2018.

(h) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

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

S. 225.

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

An act relating to access to Vermont Prescription Monitoring System data by academic researchers and coverage by commercial health insurers for costs associated with medication-assisted treatment.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. COSTS ASSOCIATED WITH MEDICATION-ASSISTED TREATMENT; PILOT PROGRAMS

(a) The Commissioner of Vermont Health Access shall develop pilot programs in which one or more health insurers contribute funding to providers who are not affiliated with an authorized treatment program but who meet federal requirements for use of controlled substances in the pharmacological treatment of opioid addiction in order to support the costs of funding licensed alcohol and drug counselors and other medical professionals who support this

work. The Commissioner shall collaborate with one or more health insurers; a large, integrated federally qualified health center; and a multisite Blueprint community in carrying out the requirements of this section. The pilot programs shall:

(1) align with current Blueprint funding or other payment models that may be developed in consultation with stakeholders for opioid treatment programs and other providers who are not affiliated with an authorized treatment program but who meet federal requirements for use of controlled substances in the pharmacological treatment of opioid addiction;

(2) align with potential integration of Medicare funding into opioid treatment programs and other providers who are not affiliated with an authorized treatment program but who meet federal requirements for use of controlled substances in the pharmacological treatment of opioid addiction; and

(3) be designed to allow the integration into accountable care organization funding.

(b) On or before January 15, 2019, the Commissioner shall report to the Senate Committee on Health and Welfare and House Committees on Health Care and on Human Services regarding the design and construction of the pilot programs and any recommendations for legislative action.

(c) As used in this section:

(1) "Health insurer" means any health insurance company, nonprofit hospital and medical service corporation, managed care organization, and to the extent permitted under federal law any administrator of an insured, self-insured, or publicly funded health care benefit plan offered by public and private entities. The term shall include the administrator of the health benefit plan offered by the State of Vermont to its employees and the administrator of any health benefit plan offered by any agency or instrumentality of the State to its employees. The term shall not include stand-alone dental plans or benefit plans providing coverage for a specific disease or other limited benefit coverage.

(2) "Provider" means physicians, advanced practice registered nurses, and physician assistants.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

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

An act relating to pilot programs for coverage by commercial health insurers of costs associated with medication-assisted treatment.

And that when so amended the bill ought to pass.

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

S. 222.

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

An act relating to technical amendments to civil and criminal procedure statutes.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 10 V.S.A. § 8007(c) is amended to read:

(c) An assurance of discontinuance shall be in writing and signed by the respondent and shall specify the statute or regulation alleged to have been violated. The assurance of discontinuance shall be simultaneously filed with the Attorney General and the Environmental Division. The Secretary or the Natural Resources Board shall post a final draft assurance of discontinuance to its website and shall provide a final draft assurance of discontinuance to a person upon request. When signed by the Environmental Division, the assurance shall become a judicial order. Upon motion by the Attorney General made within ~~10~~ 14 days ~~of~~ after the date the assurance is signed by the Division and upon a finding that the order is insufficient to carry out the purposes of this chapter, the Division shall vacate the order.

Sec. 2. 12 V.S.A. § 1 is amended to read:

§ 1. RULES OF PLEADING, PRACTICE, AND PROCEDURE; FORMS

The Supreme Court is empowered to prescribe and amend from time to time general rules with respect to pleadings, practice, evidence, procedure, and forms for all actions and proceedings in all courts of this State. The rules thus prescribed or amended shall not abridge, enlarge, or modify any substantive rights of any person provided by law. The rules when initially prescribed or any amendments thereto, including any repeal, modification, or addition, shall take effect on the date provided by the Supreme Court in its order of promulgation, unless objected to by the ~~Joint~~ Legislative Committee on Judicial Rules as provided by this chapter. If objection is made by the ~~Joint~~ Legislative Committee on Judicial Rules, the initially prescribed rules in

question shall not take effect until they have been reported to the General Assembly by the Chief Justice of the Supreme Court at any regular, adjourned, or special session thereof, and until after the expiration of 45 legislative days of that session, including the date of the filing of the report. The General Assembly may repeal, revise, or modify any rule or amendment thereto, and its action shall not be abridged, enlarged, or modified by subsequent rule.

Sec. 3. 12 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in sections 3 and 4 of this chapter:

(1) "Adopting authority" means the Chief Justice of the Supreme Court or the ~~administrative judge~~ Chief Superior Judge, where appropriate~~;~~.

(2) "Court" means the Supreme Court, except in those instances where the statutes permit rules to be adopted by the ~~administrative judge~~ Chief Superior Judge, in which case, the word "court" means the ~~administrative judge;~~ Chief Superior Judge.

* * *

Sec. 4. 12 V.S.A. § 701 is amended to read:

§ 701. SUMMONS

(a) Any law enforcement officer authorized to serve criminal process or a State's Attorney may summon a person who commits an offense to appear before Superior Court by a summons in such form as prescribed by the Court Administrator, stating the time when, and the place where, the person shall appear, signed by the enforcement officer or State's Attorney and delivered to the person.

* * *

(d) ~~A person who does not so appear in response to a summons for a traffic offense as defined in 23 V.S.A. § 2201 shall be fined not more than $100.00.~~ [Repealed.]

Sec. 5. 12 V.S.A. § 3125 is amended to read:

§ 3125. PAYMENT OF TRUSTEE'S CLAIM BY CREDITOR

When it appears that personal property in the hands of a person summoned as a trustee is mortgaged, pledged, or liable for the payment of a debt due to him or her, the court may allow the attaching creditor to pay or tender the amount due to the trustee, and he or she shall thereupon deliver such property, as ~~hereinbefore~~ provided in this subchapter, to the officer holding the execution.

Sec. 6. 12 V.S.A. § 3351 is amended to read:

§ 3351. ATTACHMENT, TAKING IN EXECUTION, AND SALE

Personal property not exempt from attachment, subject to a mortgage, pledge, or lien, may be attached, taken in execution, and sold as the property of the mortgagor, pledgor, or general owner, in the same manner as other personal property, except as ~~hereinafter~~ otherwise provided in this subchapter.

Sec. 7. 18 V.S.A. § 4245 is amended to read:

§ 4245. REMISSION OR MITIGATION OF FORFEITURE

(a) On petition filed within 90 days ~~of~~ after completion of a forfeiture proceeding, ~~the claims commission established in 32 V.S.A. § 931~~ a court that issued a forfeiture order pursuant to section 4244 of this title may order that the forfeiture be remitted or mitigated. The petition shall be sworn~~,~~ and shall include all information necessary for its resolution or shall describe where such information can be obtained. Upon receiving a petition, the ~~claims commission~~ court shall investigate and may conduct a hearing if in its judgment it would be helpful to resolution of the petition. The ~~claims commission~~ court shall either grant or deny the petition within 90 days.

(b) The ~~claims commission~~ court may remit or mitigate a forfeiture upon finding that relief should be granted to avoid extreme hardship or upon finding that the petitioner has a valid, good faith interest in the property which is not held through a straw purchase, trust, or otherwise for the benefit of another and that the petitioner did not at any time have knowledge or reason to believe that the property was being or would be used in violation of the law.

Sec. 8. 18 V.S.A. § 4474g(b) is amended to read:

(b) Prior to acting on an application for a Registry identification card, the Department shall obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Each applicant shall consent to the release of criminal history records to the Department on forms developed by the Vermont Crime Information Center. A fingerprint-supported, out-of-state criminal history record and a criminal history record from the Federal Bureau of Investigation shall be required only every three years for renewal of a card for a dispensary owner, principal, and financier.

Sec. 9. REPEAL

2017 Acts and Resolves No. 11, Sec. 60 (amending 32 V.S.A. § 5412) is repealed.

Sec. 10. 3 V.S.A. § 163 is amended to read:

§ 163. JUVENILE COURT DIVERSION PROJECT

(a) The Attorney General shall develop and administer a juvenile court diversion project for the purpose of assisting juveniles charged with delinquent acts. ~~Rules which were adopted by the Vermont Commission on the Administration of Justice to implement the juvenile court diversion project shall be adapted by the Attorney General to the programs and projects established under this section.~~ In consultation with the diversion programs, the Attorney General shall adopt a policies and procedures manual in compliance with this section.

(b) The diversion ~~project~~ program administered by the Attorney General shall ~~encourage the development~~ support the operation of diversion ~~projects~~ programs in local communities through grants of financial assistance to, or by contracting for services with, municipalities, private groups, or other local organizations. The Attorney General may require local financial contributions as a condition of receipt of project ~~grants~~ funding.

* * *

Sec. 11. 3 V.S.A. § 164 is amended to read:

§ 164. ADULT COURT DIVERSION PROGRAM

(a) The Attorney General shall develop and administer an adult court diversion program in all counties. ~~The program shall be operated through the juvenile diversion project. The~~ In consultation with Diversion programs, the Attorney General shall adopt ~~only such rules as are necessary to establish an adult court diversion program for adults~~ a policies and procedures manual, in compliance with this section.

* * *

(c) The program shall ~~encourage the development~~ support the operation of diversion programs in local communities through grants of financial assistance to, or contracts for services with, municipalities, private groups, or other local organizations. The Attorney General may require local financial contributions as a condition of receipt of program ~~grants~~ funding.

* * *

(e) All adult court diversion programs receiving financial assistance from the Attorney General shall adhere to the following provisions:

(1) The diversion program shall accept only persons against whom charges have been filed and the court has found probable cause, but are not yet adjudicated. The prosecuting attorney may refer a person to diversion either

before or after arraignment and shall notify in writing the diversion program and the court of his or her intention to refer the person to diversion. The matter shall become confidential when notice is provided to the court. If a person is charged with a qualifying crime as defined in 13 V.S.A. § 7601(4)(A) and the crime is a misdemeanor, the prosecutor shall provide the person with the opportunity to participate in the court diversion program unless the prosecutor states on the record at arraignment or a subsequent hearing why a referral to the program would not serve the ends of justice. If the prosecuting attorney refers a case to diversion, the prosecuting attorney may release information to the victim upon a showing of legitimate need and subject to an appropriate protective agreement defining the purpose for which the information is being released and in all other respects maintaining the confidentiality of the information; otherwise files held by the court, the prosecuting attorney, and the law enforcement agency related to the charges shall be confidential and shall remain confidential unless:

(A) the ~~Board~~ diversion program declines to accept the case;

(B) the person declines to participate in diversion;

(C) the ~~Board~~ diversion program accepts the case, but the person does not successfully complete diversion; or

(D) the prosecuting attorney recalls the referral to diversion.

* * *

(7)(A) ~~The~~ Irrespective of whether a record was expunged, the adult court diversion program shall maintain sufficient records so that the reasons for success or failure of the program in particular cases and overall can be investigated by program staff. These records shall include a centralized statewide filing system that will include the following information about individuals who have successfully completed an adult court diversion program:

(i) name and date of birth;

(ii) offense charged and date of offense;

(iii) place of residence;

(iv) county where diversion process took place; and

(v) date of completion of diversion process.

(B) These records shall not be available to anyone other than the participant and his or her attorney, State's Attorneys, the Attorney General, and directors of adult court diversion programs.

(C) Notwithstanding subdivision (B) of this subsection (e), the Attorney General shall, upon request, provide to a participant or his or her attorney sufficient documentation to show that the participant successfully completed diversion.

* * *

(g)(1) Within 30 days ~~of~~ after the two-year anniversary of a successful completion of adult diversion, the court shall provide notice to all parties of record of the court's intention to order the ~~sealing~~ expungement of all court files and records, law enforcement records other than entries in the adult court diversion program's centralized filing system, fingerprints, and photographs applicable to the proceeding. The court shall give the State's Attorney an opportunity for a hearing to contest the ~~sealing~~ expungement of the records. The court shall ~~seal~~ expunge the records if it finds:

~~(1)~~(A) two years have elapsed since the successful completion of the adult diversion program by the participant and the dismissal of the case by the State's Attorney;

~~(2)~~(B) the participant has not been convicted of a subsequent felony or misdemeanor during the two-year period, and no proceedings are pending seeking such conviction; and

~~(3)~~(C) rehabilitation of the participant has been attained to the satisfaction of the court.

(2) The court may expunge any records that were sealed pursuant to this subsection prior to July 1, 2018 unless the State's Attorney's office that prosecuted the case objects. Thirty days prior to expunging a record pursuant to this subdivision, the court shall provide written notice of its intent to expunge the record to the State's Attorney's office that prosecuted the case.

(3)(A) The court shall keep a special index of cases that have been expunged pursuant to this section together with the expungement order. The index shall list only the name of the person convicted of the offense, his or her date of birth, the docket number, and the criminal offense that was the subject of the expungement.

(B) The special index and related documents specified in subdivision (A) of this subdivision (3) shall be confidential and shall be physically and electronically segregated in a manner that ensures confidentiality and that limits access to authorized persons.

(C) Inspection of the expungement order and the certificate may be permitted only upon petition by the person who is the subject of the case or by the court if the court finds that inspection of the documents is necessary to

serve the interests of justice. The Chief Superior Judge may permit special access to the index and the documents for research purposes pursuant to the rules for public access to court records.

(D) The Court Administrator shall establish policies for implementing this subsection (g).

(h) ~~Upon~~ Except as otherwise provided in this section, upon the entry of an order ~~sealing such~~ expunging files and records under this section, the proceedings in the matter ~~under this section~~ shall be considered never to have occurred, all index references thereto shall be deleted, and the participant, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such participant inquiry in any matter. Copies of the order shall be sent to each agency or official named therein.

(i) ~~Inspection of the files and records included in the order may thereafter be permitted by the court only upon petition by the participant who is the subject of such records, and only to those persons named therein.~~ [Repealed.]

(j) The process of automatically ~~sealing~~ expunging records as provided in this section shall only apply to those persons who completed diversion on or after July 1, 2002. Any person who completed diversion prior to July 1, 2002 must apply to the court to have his or her records ~~sealed~~ expunged. ~~Sealing~~ Expungement shall occur if the requirements of subsection (g) of this section are met.

* * *

Sec. 12. 13 V.S.A. § 15 is added to read:

§ 15. USE OF VIDEO

(a) Except as provided by subsection (b) of this section, proceedings governed by Rules 5 and 10 of the Vermont Rules of Criminal Procedure and chapter 229 of this title shall be in person and on the record, and shall not be performed by video conferencing or other electronic means until the Defender General and the Executive Director of the Department of Sheriffs and State's Attorneys execute a joint certification that the video conferencing program in use by the court at the site where the proceeding occurs adequately ensures attorney-client confidentiality and the client's meaningful participation in the proceeding.

(b) A proceeding at which subsection (a) of this section applies may be performed by video conferencing if counsel for the defendant or a defendant not represented by counsel consents.

Sec. 13. 13 V.S.A. § 2301 is amended to read:

§ 2301. MURDER-DEGREES DEFINED

Murder committed by means of poison, or by lying in wait, or by ~~wilful~~ willful, deliberate, and premeditated killing, or committed in perpetrating or attempting to perpetrate arson, sexual assault, aggravated sexual assault, kidnapping, robbery, or burglary~~,~~ shall be murder in the first degree. All other kinds of murder shall be murder in the second degree.

Sec. 14. EARNED GOOD TIME; REPORT

On or before November 15, 2018, the Commissioner of Corrections, in consultation with the Chief Superior Judge, the Attorney General, the Executive Director of the Department of Sheriffs and State's Attorneys, and the Defender General, shall report to the Senate and House Committees on Judiciary, the Senate Committee on Institutions, and the House Committee on Corrections and Institutions on the advisability and feasibility of reinstituting a system of earned good time for persons under the supervision of the Department of Corrections.

Sec. 15. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to miscellaneous judiciary procedures.

And that when so amended the bill ought to pass.

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

Consideration Postponed

S. 197.

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

An act relating to liability for toxic substance exposures or releases.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Strict Liability; Toxic Substance Release * * *

Sec. 1. 10 V.S.A. chapter 159, subchapter 5 is added to read:

Subchapter 5. Strict Liability for Toxic Substance Release

§ 6685. DEFINITIONS

As used in this subchapter:

(1) "Harm" means any personal injury or property damage.

(2) "Release" means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located in one or more of the following amounts:

(A) more than two gallons or pounds;

(B) two gallons or pounds or less if the amount released poses a potential or actual threat to human health; or

(C) for any toxic substance regulated under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601-9675, as amended, the reportable quantity specified under 40 C.F.R. § 302.4.

(3)(A) "Toxic substance" means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a "hazardous material" under 10 V.S.A. § 6602 or under rules adopted under 10 V.S.A. chapter 159;

(iii) testing has produced evidence, recognized by the National Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound; or

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under 10 V.S.A. chapter 159.

(B) "Toxic substance" shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 6686. LIABILITY FOR RELEASE OF TOXIC SUBSTANCES

(a) Any person who releases a toxic substance shall be held strictly, jointly, and severally liable for any harm resulting from the release.

(b) Any person held liable under subsection (a) of this section shall have the right to seek contribution from any other person who caused or contributed to the release. The right to contribution under this subsection shall include the right to seek contribution from a chemical manufacturer that released a toxic substance when a court determines that the manufacturer failed to warn a person of a toxic substance's propensity to cause the harm complained of.

(c) Nothing in this section shall be construed to supersede or diminish in any way existing remedies available to a person or the State at common law or under statute.

* * * Medical Monitoring Damages * * *

Sec. 2. 12 V.S.A. chapter 219 is added to read:

CHAPTER 219. MEDICAL MONITORING DAMAGES

§ 7201. DEFINITIONS

As used in this chapter:

(1) "Disease" means any disease, ailment, or adverse physiological or chemical change linked with exposure to a toxic substance.

(2) "Exposure" means ingestion, inhalation, contact with the skin or eyes, or any other physical contact.

(3) "Medical monitoring damages" means the cost of medical tests or procedures and related expenses incurred for the purpose of detecting latent disease resulting from exposure.

(4) "Release" means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located in one or more of the following amounts:

(A) more than two gallons or pounds;

(B) two gallons or pounds or less if the amount released poses a potential or actual threat to human health; or

(C) for any toxic substance regulated under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601-9675, as amended, the reportable quantity specified under 40 C.F.R. § 302.4.

(5)(A) "Toxic substance" means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a "hazardous material" under 10 V.S.A. § 6602 or under rules adopted under 10 V.S.A. chapter 159;

(iii) testing has produced evidence, recognized by the National Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound; or

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under 10 V.S.A. chapter 159; or

(vi) the substance, when released, can be shown by expert testimony to pose a potential threat to human health or the environment.

(B) "Toxic substance" shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 7202. MEDICAL MONITORING DAMAGES FOR EXPOSURE TO TOXIC SUBSTANCES

(a) A person with or without a present injury or disease shall have a cause of action for medical monitoring damages against a person who released a toxic substance if all of the following are demonstrated by a preponderance of the evidence:

(1) The person was exposed to the toxic substance as a result of tortious conduct by the person who released the toxic substance, including conduct that constitutes negligence, battery, strict liability, trespass, or nuisance;

(2) There is a probable link between exposure to the toxic substance and a latent disease.

(3) The person's exposure to the toxic substance increases the risk of developing the latent disease. A person does not need to prove that the latent disease is certain or likely to develop as a result of the exposure.

(4) Diagnostic testing is reasonably necessary. Testing is reasonably necessary if a physician would prescribe testing for the purpose of detecting or monitoring the latent disease.

(5) Medical tests or procedures exist to detect the latent disease.

(b) A court shall place the award of medical monitoring damages into a court-supervised program administered by a medical professional.

(c) If a court places an award of medical monitoring damages into a court-supervised program pursuant to subsection (c) of this section, the court shall also award to the plaintiff reasonable attorney's fees and other litigation costs reasonably incurred.

(d) Nothing in this chapter shall be deemed to preclude the pursuit of any other civil or injunctive remedy available under statute or common law, including the right of any person to recover for damages related to the manifestation of a latent disease. The remedies in this chapter are in addition to those provided by existing statutory or common law.

(e) This section does not preclude a court from certifying a class action for medical monitoring damages.

* * * Effective Date * * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senator Sears moved that consideration of the bill be postponed until Friday, March 16, 2018, which was agreed to.

Adjournment

On motion of Senator Mazza, the Senate adjourned until ten o'clock and twenty-five minutes in the morning.

THURSDAY, MARCH 15, 2018

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Message from the House No. 29

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. 378. An act relating to the creation of the Artificial Intelligence Task Force.

H. 615. An act relating to prohibiting the use of drones near correctional facilities.

H. 726. An act relating to creating a voluntary pollinator-friendly standard for solar arrays.

H. 806. An act relating to the Southeast State Correctional Facility.

H. 881. An act relating to corrective action plans under Act 250.

H. 904. An act relating to miscellaneous agricultural subjects.

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. 51. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

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

H. 150. An act relating to parole eligibility.

And has severally concurred therein.

The Governor has informed the House that on March 8, 2018, he approved and signed a bill originating in the House of the following title:

H. 694. An act relating to captive insurance companies.

Bills Referred to Committee on Appropriations

Senate 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:

S. 85. An act relating to simplifying government for small businesses.

S. 94. An act relating to promoting remote work and flexible work arrangements.

S. 192. An act relating to transferring the professional regulation of law enforcement officers from the Vermont Criminal Justice Training Council to the Office of Professional Regulation.

S. 253. An act relating to Vermont's adoption of the Interstate Medical Licensure Compact.

S. 269. An act relating to blockchain, cryptocurrency, and financial technology.

Joint Assembly

At ten o'clock and thirty minutes in the morning, the hour having arrived for the meeting of the two Houses in Joint Assembly pursuant to:

J.R.S. 50. Joint resolution providing for a Joint Assembly to vote on the retention of one Superior Judge and one Magistrate.

The Senate repaired to the hall of the House.

Having returned therefrom, at eleven o'clock and thirteen minutes in the morning, the President assumed the Chair.

Bills Referred

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

H. 378.

An act relating to the creation of the Artificial Intelligence Task Force.

To the Committee on Government Operations.

H. 615.

An act relating to prohibiting the use of drones near correctional facilities.

To the Committee on Judiciary.

H. 726.

An act relating to creating a voluntary pollinator-friendly standard for solar arrays.

To the Committee on Natural Resources and Energy.

H. 806.

An act relating to the Southeast State Correctional Facility.

To the Committee on Institutions.

H. 881.

An act relating to corrective action plans under Act 250.

To the Committee on Natural Resources and Energy.

H. 904.

An act relating to miscellaneous agricultural subjects.

To the Committee on Agriculture.

Rules Suspended; Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Cummings the rules were suspended and Senate bill entitled:

S. 276. An act relating to rural economic development.

was committed to the Committee on Appropriations pursuant to Rule 31 with the reports of the Committee on Agriculture, Committee on Natural Resources and Committee on Finance *intact*,

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon.

Afternoon

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

Devotional Exercises

Devotional exercises were conducted by the Reverend Leon Dunkley of Woodstock.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

S. 168. An act relating to employment protection for volunteer emergency responders.

S. 180. An act relating to the Vermont Fair Repair Act.

S. 222. An act relating to technical amendments to civil and criminal procedure statutes.

S. 225. An act relating to access to Vermont Prescription Monitoring System data by academic researchers and coverage by commercial health insurers for costs associated with medication-assisted treatment.

Bill Amended; Third Reading Ordered

S. 111.

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

An act relating to privatization contracts.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. IMPROVEMENTS TO PRIVATIZATION CONTRACTING

The Secretary of Administration, the Commissioner of Buildings and General Services, the Attorney General, the Auditor of Accounts, and the President of the Vermont State Employees' Association or designee shall study and recommend to the House and Senate Committees on Government Operations, on or before January 15, 2019, improvements to the method by which privatization contracts are awarded, including recommendations to ensure that any State service that is privatized may include provisions regarding livable wages and benefits, and follow-up annual audits to ensure that the projected cost savings are realized through the contracted activity.

And that when so amended the bill ought to pass.

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

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

Bill Amended; Third Reading Ordered

S. 287.

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

An act relating to universal recycling requirements.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. USE OF BOTTOM BARRIERS WITHOUT PERMIT

(a) 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:

(A) three days prior to placement of the barriers in the water if the Secretary has identified the water as containing threatened or endangered species; or

(B) on the day the barriers are placed in the water if the Secretary has not identified the water as containing threatened or endangered species; 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.

(b) The Secretary of Natural Resources shall designate an e-mail address, telephone number, or other publicly available method by which a lake association may provide the notice required by this section seven days a week.

Sec. 2. ANR REPORT TO GENERAL ASSEMBLY; AQUATIC NUISANCE CONTROL PERMIT; RULE

(a) On or before January 15, 2019 and prior to issuing the general permit required by 2017 Acts and Resolves No. 67 Sec. 9 or any new aquatic nuisance

general permit under 10 V.S.A. chapter 50, the Secretary of Natural Resources shall submit a proposed final draft of the general permit to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife while the General Assembly is in session so that the General Assembly may review the general permit and recommend changes.

(b) Prior to filing under 3 V.S.A. § 841, final proposed rule for aquatic nuisance control under 10 V.S.A. chapter 50, the Secretary of Natural Resources shall submit the proposed rule to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife while the General Assembly is in session so that the General Assembly may review the rule and recommend changes.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to aquatic nuisance control.

And that when so amended the bill ought to pass.

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

Adjournment

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

FRIDAY, MARCH 16, 2018

Pursuant to the Senate Rules, in the absence of the President, the Senate was called to order by the President *pro tempore*.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 30

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. 599. An act relating to games of chance organized by nonprofit organizations.

H. 620. An act relating to State-owned airports and economic development.

H. 660. An act relating to establishing the Commission on Sentencing Disparities and Criminal Code Reclassification.

H. 696. An act relating to establishing a State individual mandate.

H. 707. An act relating to the prevention of sexual harassment.

H. 739. An act relating to energy productivity investments under the self-managed energy efficiency program.

H. 771. An act relating to the Vermont National Guard.

H. 802. An act relating to rural economic development infrastructure districts.

H. 854. An act relating to promoting television and film production.

H. 874. An act relating to inmate access to prescription drugs.

H. 894. An act relating to pensions, retirement, and setting the contribution rates for municipal employees.

H. 906. An act relating to professional licensing for service members and veterans.

H. 908. An act relating to the Administrative Procedure Act.

H. 909. An act relating to technical and clarifying changes in transportation-related laws.

H. 910. An act relating to the Open Meeting Law and the Public Records Act.

H. 912. An act relating to the health care regulatory duties of the Green Mountain Care Board.

H. 914. An act relating to reporting requirements for the second year of the Vermont Medicaid Next Generation ACO Pilot Project.

H. 915. An act relating to the protection of pollinators.

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

Bills Referred

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

H. 599.

An act relating to games of chance organized by nonprofit organizations.

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

H. 620.

An act relating to State-owned airports and economic development.

To the Committee on Transportation.

H. 660.

An act relating to establishing the Commission on Sentencing Disparities and Criminal Code Reclassification.

To the Committee on Judiciary.

H. 696.

An act relating to establishing a State individual mandate.

To the Committee on Health and Welfare.

H. 707.

An act relating to the prevention of sexual harassment.

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

H. 739.

An act relating to energy productivity investments under the self-managed energy efficiency program.

To the Committee on Finance.

H. 771.

An act relating to the Vermont National Guard.

To the Committee on Government Operations.

H. 802.

An act relating to rural economic development infrastructure districts.

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

H. 854.

An act relating to promoting television and film production.

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

H. 874.

An act relating to inmate access to prescription drugs.

To the Committee on Institutions.

H. 894.

An act relating to pensions, retirement, and setting the contribution rates for municipal employees.

To the Committee on Government Operations.

H. 906.

An act relating to professional licensing for service members and veterans.

To the Committee on Government Operations.

H. 908.

An act relating to the Administrative Procedure Act.

To the Committee on Government Operations.

H. 909.

An act relating to technical and clarifying changes in transportation-related laws.

To the Committee on Transportation.

H. 910.

An act relating to the Open Meeting Law and the Public Records Act.

To the Committee on Government Operations.

H. 912.

An act relating to the health care regulatory duties of the Green Mountain Care Board.

To the Committee on Health and Welfare.

H. 914.

An act relating to reporting requirements for the second year of the Vermont Medicaid Next Generation ACO Pilot Project.

To the Committee on Health and Welfare.

H. 915.

An act relating to the protection of pollinators.

To the Committee on Agriculture.

Bill Amended; Bill Passed

S. 272.

Senate bill entitled:

An act relating to miscellaneous changes to laws related to motor vehicles and motorboats.

Was taken up.

Thereupon, pending third reading of the bill, Senators Westman, Brock, Flory, Kitchel and Mazza moved to amend the bill by striking out Sec. 18 and the reader assistance thereto in their entirety and inserting in lieu thereof the following:

* * * Motor Vehicle Inspections * * *

Sec. 18. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall be inspected once each year. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days ~~from~~ following the date of its registration in the State of Vermont.

(b)(1) The inspections shall be made at garages or qualified service stations, designated by the Commissioner as inspection stations, for the purpose of determining whether those motor vehicles are properly equipped and maintained in good mechanical condition; provided, however, the scope of the safety inspection of a motor vehicle other than a school bus or a commercial motor vehicle shall be limited to parts or systems that are relevant to the vehicle's safe operation, and such vehicles shall not fail the safety portion of the inspection unless the condition of the part or system poses or may pose a danger to the operator or to other highway users.

(2) The charges for such inspections made by garages or qualified service stations designated to conduct periodic inspections shall be subject to the approval of the Commissioner. If a fee is charged for inspection, it shall be

based upon the hourly rate charged by each official inspection station or it may be a flat rate fee and, in either instance, the fee shall be prominently posted and displayed beside the official inspection station certificate. In addition, the official inspection station may disclose the State inspection certificate charge on the repair order as a separate item and collect the charge from the consumer.

* * *

Sec. 19. RULEMAKING; TRANSITION

(a) As soon as practicable after the effective date of this section, and not later than May 1, 2018, the Commissioner of Motor Vehicles (Commissioner) shall file with the Secretary of State proposed amended rules governing motor vehicle inspections that:

(1) are consistent with the permissible scope of safety inspections under the amendments to 23 V.S.A. § 1222 in Sec. 18 of this act; and

(2) clarify ambiguous language in the rules.

(b) In the proposed rule amendments, the Commissioner may direct inspection stations to identify advisory, recommended repairs that are not required for the vehicle to pass inspection.

(c) Except as provided in subdivision (a)(2) and subsection (d) of this section, nothing in this section or Sec. 18 of this act is intended to affect the emissions-related requirements of the rules governing motor vehicle inspections.

(d) Notwithstanding 10 V.S.A. § 567 and C.V.R. 14-050-022, the Commissioner may establish criteria to allow vehicles that would otherwise fail inspection to pass the inspection and receive an inspection sticker, provided that the vehicle satisfies all inspection requirements that are relevant to the vehicle's safe operation. The authority conferred in this subsection shall expire on July 1, 2019.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 9 and 11 (means of transmitting fuel tax payments) shall take effect on July 1, 2019.

(b) Secs. 10 and 12 (means of transmitting fuel tax payments) shall take effect on July 1, 2020.

(c) Sec. 18 (scope of motor vehicle safety inspections) shall take effect upon the effective date of the amended rules required to be filed under Sec. 19 of this act.

(d) This section, Sec. 14 (new motor vehicle arbitration), and Sec. 17 (dealer records) shall take effect on passage.

(e) In Sec. 19 (rulemaking; transition; motor vehicle inspections):

(1) subsecs. (a)–(c) shall take effect on passage; and

(2) notwithstanding 1 V.S.A. § 214, subsec. (d) shall take effect retroactively on January 1, 2017.

(f) All other sections shall take effect on July 1, 2018.

Which was agreed to on a roll call, Yeas 28, 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: Ayer, Balint, Baruth, Benning, Bray, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe (presiding), Branagan.

Thereupon, the bill was read the third time and passed.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

S. 111. An act relating to privatization contracts.

S. 287. An act relating to universal recycling requirements.

Bill Amended; Third Reading Ordered

S. 204.

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

An act relating to the registration of short-term rentals.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 18 V.S.A. chapter 85 is amended to read:

CHAPTER 85. FOOD AND LODGING ESTABLISHMENTS

* * *

Subchapter 7. Short-Term Rentals

§ 4466. REGISTRATION OF SHORT-TERM RENTALS

(a) After January 1, 2019, 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 section 4470 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) The unit does not have any known violations of relevant State and local fire, life safety, and zoning laws and rules and has all smoke and carbon monoxide detectors as required by 9 V.S.A. chapter 77.

(2) Each guest room is free of any evidence of insects, rodents, and other pests.

(3) If the unit utilizes water from a nonpublic water supply system, it does not have any known violations of Vermont's water supply rules.

(4) All sewage is disposed of through an approved facility, including either:

(A) a public sewage treatment plant; or

(B) an individual sewage disposal system that does not have any known violations of the Department of Environmental Conservation's rules and other applicable sanitation requirements.

(5) The registrant of the short-term rental is aware of his or her responsibility for the rooms tax described pursuant to 32 V.S.A. chapter 225 and other applicable local taxes and that failure to pay these taxes may result in suspension or revocation of the registrant's certificate of compliance.

(d)(1) The prospective registrant shall submit a registration application to the Department not fewer than 14 calendar days prior to offering a short-term rental for occupancy, except for those reservations established prior to January 1, 2019.

(2) The Department shall award an initial certificate of compliance upon receipt of the applicant's completed registration application and

registration fee. The certificate of compliance shall state that the registrant has self-certified compliance with health and safety laws and regulations pursuant to subsection (c) of this section 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 those occupying the short-term rental unit.

(f) Any prospective registrant 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 one year after its date of issuance and may be renewed, if the certificate holder is in good standing with the Department, upon the payment of a new registration fee and the filing of a new self-certification registration form pursuant to subsection 4466(c) of this title.

§ 4468. ADVERTISEMENT ON INTERNET-BASED PLATFORMS

A short-term rental registrant shall not advertise on an Internet-based platform without posting publicly on the platform the registrant's certificate of compliance number issued by the Department.

§ 4469. INSPECTION

(a) The Commissioner may inspect through his or her duly authorized officers, inspectors, agents, or assistants, at all reasonable times, a short-term rental and the registrant's records related to the short-term rental.

(b) Whenever an inspection demonstrates that the short-term rental is not operated in accordance with the provisions of this chapter, the officer, inspector, agent, or assistant shall notify the registrant of the conditions found and shall direct necessary changes.

(c) Nothing in this section shall be construed to supersede the authority and responsibilities of the Division of Fire Safety. The Division's Executive Director shall inform the Commissioner in a timely manner of any enforcement actions that the Division has taken against the registrant of a short-term rental.

§ 4470. FEES; REGISTRATION

At the time of registration or registration renewal, a short-term rental unit registrant shall pay to the Department the same fee as required pursuant to subdivision 4353(a)(2)(I).

§ 4471. 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.

§ 4472. MUNICIPAL AUTHORIZATION

A town, city, or incorporated village may use its ordinance authority to provide for more stringent health and safety regulations than those provided in this subchapter.

Sec. 2. EDUCATIONAL MATERIALS; SHORT-TERM RENTALS

(a) The Commissioner of Health shall prepare and publish on the Department's website educational materials for short-term rental registrants, including an explanation of all the requirements in 18 V.S.A. chapter 85, subchapter 7 and information regarding the importance of and coverage options for liability insurance.

(b) As used in this section, "short-term rental" shall have the same meaning as in 18 V.S.A. § 4301.

Sec. 3. REPORTS

(a) The Commissioner of Health shall submit the following written reports to the House Committees on Commerce and Economic Development and on Human Services and to the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare:

(1) on or before September 1, 2018 and on or before January 1, 2019, a report detailing the Department's progress in preparing for implementation of 18 V.S.A. chapter 85, subchapter 7; and

(2) on or before January 1, 2020, a report identifying any gaps or weaknesses related to the regulation of short-term rentals pursuant to 18 V.S.A. chapter 85, subchapter 7, data related to the number of registered short-term

rental units and the collection of taxes, and any recommendations for legislative action.

(b) In preparing the reports required pursuant to subsection (a) of this section, the Commissioner shall consult with and accept written comments from the following:

(1) the Commissioner of Tourism and Marketing or designee;

(2) the Commissioner of Taxes or designee;

(3) the Executive Director of the Department of Public Safety's Division of Fire Safety;

(4) the Vermont Lodging Association;

(5) the Vermont Inn and Bed and Breakfast Association;

(6) one or more owners of short-term rentals in Vermont;

(7) one or more representatives of an online short-term rental property platform operating in Vermont; and

(8) one or more Vermonters with significant experience using an online short-term rental property platform to rent short-term rentals.

(c) As used in this section, "short-term rental" shall have the same meaning as in 18 V.S.A. § 4301.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

First: In Sec. 1, in 18 V.S.A. § 4466, by striking out subsection (e) in its entirety and redesignating the current subsection (f) to be the new subsection (e)

Second: In Sec. 1, in 18 V.S.A. § 4470, by striking out the words "the same fee as" and inserting in lieu thereof the words fifty percent of the fee

Third: In Sec. 3, in subdivision (b)(4), by striking out the words "Lodging Association" and inserting in lieu thereof the words Chamber of Commerce

And that when so amended the bill ought to pass.

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

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

Thereupon, third reading of the bill was ordered on a roll call, Yeas 28, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe (presiding), Branagan.

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

Hayward, Timothy of North Middlesex - Member, Transportation Board - July 26, 2017, to February 29, 2020.

Was confirmed by the Senate.

The nomination of

Wobby, Richard J. of Northfield - Member, Liquor Control Board - February 1, 2018, to January 31, 2023.

Was confirmed by the Senate.

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

Greshin, Adam of Warren - Commissioner, Department of Finance and Management - July 10, 2017, to February 28, 2019.

Was confirmed by the Senate on a roll call Yeas 27, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe (presiding), Branagan, Soucy.

Message from the House No. 31

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. 639. An act relating to banning cost-sharing for all breast imaging services.

H. 730. An act relating to State response to waters in crisis.

H. 856. An act relating to miscellaneous amendments to municipal law.

H. 859. An act relating to requiring municipal corporations to affirmatively vote to retain ownership of lease lands.

H. 903. An act relating to regenerative farming.

H. 907. An act relating to improving rental housing safety.

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

The House has adopted joint resolution of the following title:

J.R.H. 14. 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.

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

H.C.R. 272. House concurrent resolution honoring Manchester Fire Chief Philip Bourn for his laudable public service.

H.C.R. 273. House concurrent resolution honoring Brendan J. Whittaker of Brunswick for his years of insightful leadership in the State, municipal, and religious sectors.

H.C.R. 274. House concurrent resolution in memory of Gordon E. Tallman of Hyde Park.

H.C.R. 275. House concurrent resolution congratulating William Busier of Essex on his 100th birthday.

H.C.R. 276. House concurrent resolution commemorating the 100th anniversary of the Wayside Restaurant in Berlin.

H.C.R. 277. House concurrent resolution congratulating the 2018 Milton High School Yellowjackets Division II boys' championship indoor track and field team.

H.C.R. 278. House concurrent resolution honoring those who care for, educate, and advocate for young Vermonters and designating March 14, 2018 as Early Childhood 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. 21. Senate concurrent resolution congratulating the Woodstock Stoners on winning the 2017 Maine-iac 'Spiel curling championship.

And has adopted the same in concurrence.

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 Clarkson, McCormack and Nitka,

S.C.R. 21.

Senate concurrent resolution congratulating the Woodstock Stoners on winning the 2017 Maine-iac 'Spiel curling championship.

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. Keefe and others,

By Senators Campion, Sears, Collamore, Flory and Soucy,

H.C.R. 272.

House concurrent resolution honoring Manchester Fire Chief Philip Bourn for his laudable public service.

By Rep. Quimby,

H.C.R. 273.

House concurrent resolution honoring Brendan J. Whittaker of Brunswick for his years of insightful leadership in the State, municipal, and religious sectors.

By Reps. Higley and others,

By Senator Westman,

H.C.R. 274.

House concurrent resolution in memory of Gordon E. Tallman of Hyde Park.

By Rep. Bissonnette,

H.C.R. 275.

House concurrent resolution congratulating William Busier of Essex on his 100th birthday.

By Reps. Lewis and others,

By Senators Brooks, Cummings and Pollina,

H.C.R. 276.

House concurrent resolution commemorating the 100th anniversary of the Wayside Restaurant in Berlin.

By Reps. Turner and others,

H.C.R. 277.

House concurrent resolution congratulating the 2018 Milton High School Yellowjackets Division II boys' championship indoor track and field team.

By Reps. Pugh and others,

H.C.R. 278.

House concurrent resolution honoring those who care for, educate, and advocate for young Vermonters and designating March 14, 2018 as Early Childhood Day at the State House.

Adjournment

On motion of Senator Mazza, the Senate adjourned, to reconvene on Tuesday, March 20, 2018, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 51.

TUESDAY, MARCH 20, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Adrianne Carr of Underhill.

Pledge of Allegiance

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

Rules Suspended; Bill Not Referred to Committee on Appropriations

S. 257

Appearing on the Calendar for notice, and, pending referral of the bill to the Committee on Appropriations pursuant to Senate Rule 31, Senator Ashe moved that the rules be suspended and the Senate bill entitled:

An act relating to miscellaneous changes to education law.

Not be referred to the Committee on Appropriations pursuant to Senate Rule 31 (and thereby remain on the Calendar for notice),

Which was agreed to.

Committee Relieved of Further Consideration; Bill Committed

S. 270.

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

An act relating to the preparation of a fiscal note on any bill that creates an electric, thermal, or transportation measure that results in changes to carbon emissions,

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

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 52.

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

By Senator Ashe,

J.R.S. 52. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 23, 2018, it be to meet again no later than Tuesday, March 27, 2018.

Joint Resolution Placed on Calendar

J.R.H. 14.

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 21, 2018, 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 tomorrow.

Bills Referred

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

H. 639.

An act relating to banning cost-sharing for all breast imaging services.

To the Committee on Finance.

H. 730.

An act relating to State response to waters in crisis.

To the Committee on Natural Resources and Energy.

H. 856.

An act relating to miscellaneous amendments to municipal law.

To the Committee on Government Operations.

H. 859.

An act relating to requiring municipal corporations to affirmatively vote to retain ownership of lease lands.

To the Committee on Government Operations.

H. 903.

An act relating to regenerative farming.

To the Committee on Agriculture.

H. 907.

An act relating to improving rental housing safety.

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

Consideration Resumed; Bill Ordered to Lie

S. 285.

Consideration was resumed on Senate bill entitled:

An act relating to universal recycling requirements.

Thereupon, pending the question, Shall the recommendation of the Committee on Natural Resources and Energy be amended as moved by

Senator Pollina?, Senator Rodgers 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 Senator Pollina was *not germane* to the bill and therefore could not be considered by the Senate.

The President *overruled* the point of order and ruled that the recommendation of amendment was *germane* in that it satisfied the criteria of Mason's Rule 402 regarding germaneness as it was relevant, appropriate and in a natural or logical sequence to the subject matter of the recommendation of the Committee on Natural Resources and Energy and the underlying bill.

Thereupon, pending the question, Shall the recommendation of the Committee on Natural Resources and Energy be amended as moved by Senator Pollina?, Senator Pollina requested and was granted leave to withdraw his motion.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy?, Senator Pollina moved to amend the recommendation of the Committee on Natural Resources and Energy as follows:

By adding Secs. 3a and 3b and their reader assistance to read as follows:

* * * Unclaimed Beverage Container Deposits * * *

Sec. 3a. 10 V.S.A. § 1530 is added to read:

§ 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

(a) As used in this section, "deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

(b) A deposit initiator shall open a separate interest-bearing account in a Vermont branch of a financial institution to be known as the deposit transaction account. The deposit initiator shall keep the deposit transaction account separate from all other revenues and accounts.

(c) Beginning on July 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

(d) Beginning on August 10, 2019, and by the tenth day of each month thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding month. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

(1) the balance of the account at the beginning of the preceding month;

(2) the number of nonreusable beverage containers sold in the preceding month and the number of nonreusable beverage containers returned in the preceding month;

(3) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;

(4) the amount of refund payments made from the deposit transaction account in the preceding month;

(5) any income earned on the deposit transaction account in the preceding month;

(6) any other transactions, withdrawals, or service charges on the deposit transaction account from the preceding month; and

(7) any additional information required by the Commissioner of Taxes.

(e) On or before August 10, 2019, and on the tenth day of each month thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding month. The amount of abandoned beverage container deposits for a month is the amount equal to the amount of deposits that should be in the fund less the sum of:

(1) income earned on amounts on the account during that month; and

(2) the total amount of refund value received by the deposit initiator for nonrefillable containers during that month.

(f) The Secretary of Natural Resources may prohibit the sale of a beverage that is sold or distributed in the State by a deposit initiator who fails to comply with the requirements of this chapter. The Secretary may allow the sale of a beverage upon the deposit initiator's coming into compliance with the requirements of this chapter.

(g) The Commissioner of Taxes shall deposit in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund established under section 6618 of this title all abandoned beverage container deposits remitted under subsection (e) of this section.

Sec. 3b. 10 V.S.A. § 6618 is amended to read:

§ 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have three accounts: one for Solid Waste Management Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A. chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax ~~which~~ that is deposited to the Hazardous Waste Management Assistance Account exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, abandoned beverage container deposits remitted to the State under section 1530 of this title, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section 7553 of this title. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate Fund account. Disbursements from the Fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

(b) The Secretary may authorize disbursements from the Solid Waste Management Assistance Account for the purpose of enhancing solid waste management in the State in accordance with the adopted waste management plan. This includes:

* * *

(9) The Secretary shall annually allocate 17 percent of the receipts of this account, based on the projected revenue for that year, for implementation of the Plan adopted pursuant to section 6604 of this title and Solid Waste Implementation Plans adopted pursuant to 24 V.S.A. § 2202a.

* * *

(11) Costs of solid waste management entities and commercial haulers in complying with universal recycling requirements.

Thereupon, pending the question, Shall the recommendation of the Committee on Natural Resources and Energy be amended as moved by Senator Pollina? Senator Rodgers 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 Senator Pollina was *not germane* to the bill and therefore could not be considered by the Senate.

The President *overruled* the point of order and ruled that the recommendation of amendment was *germane* in that it satisfied the criteria of Mason's Rule 402 regarding germaneness as it was relevant, appropriate and in a natural or logical sequence to the subject matter of the recommendation of the Committee on Natural Resources and Energy and the underlying bill.

Thereupon, pending the question, Shall the recommendation of the Committee on Natural Resources and Energy be amended as moved by Senator Pollina?, Senator Mazza moved that the bill be ordered to lie which was agreed to on a roll call, Yeas 15, Nays 14.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Benning, Bray, Collamore, Cummings, Flory, Kitchel, Lyons, Mazza, Nitka, Rodgers, Sears, Soucy, Starr, Westman.

Those Senators who voted in the negative were: Ayer, Balint, Baruth, Branagan, Brooks, Campion, Clarkson, Ingram, MacDonald, McCormack, Pearson, Pollina, Sirotkin, White.

The Senator absent and not voting was: Brock.

Consideration Resumed; Bill Amended; Third Reading Ordered

S. 197.

Consideration was resumed on Senate bill entitled:

An act relating to liability for toxic substance exposures or releases.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Judiciary?, Senators Cummings, Brock, Lyons, MacDonald and Pollina move to amend the recommendation of amendment of the Committee on Judiciary by adding a new section to be numbered Sec. 1a to read as follows:

Sec. 1a. DEPARTMENT OF FINANCIAL REGULATION; REPORT ON INSURANCE POLICY PRICING AND AVAILABILITY

(a) The Commissioner of Financial Regulation shall monitor how the imposition of strict liability for toxic substance releases pursuant to 10 V.S.A. chapter 159, subchapter 5 affects the pricing and availability of commercial general liability insurance policies, residential homeowner's insurance policies, and other insurance policies in the State. The Commissioner of Financial Regulation shall evaluate whether:

(1) insurance policies in the State are more expensive or less available due to the strict liability provisions of 10 V.S.A. chapter 159, subchapter 5; and

(2) the insurance market in the State is negatively affected in comparison to the national market solely due to the strict liability provisions of 10 V.S.A. chapter 159, subchapter 5.

(b) On or before January 15, 2019, and annually thereafter, the Commissioner of Financial Regulation shall report to the Senate Committee on Finance and the House Committee on Commerce and Economic Development the results of its evaluation under subsection (a) of this section.

Which was agreed to.

Thereupon, the recommendation of amendment of the Committee on Judiciary, as amended was agreed to on a division of the Senate, Yeas 19, Nays 10.

Thereupon, third reading of the bill was ordered.

Bill Passed

S. 204.

Senate bill of the following title was read the third time and passed:

An act relating to the registration of short-term rentals.

Bill Amended; Third Reading Ordered

S. 192.

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

An act relating to transferring the professional regulation of law enforcement officers from the Vermont Criminal Justice Training Council to the Office of Professional Regulation.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Transfer to OPR * * *

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be appointed by the Secretary of State and shall be an exempt employee. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(48) Law Enforcement Officers

Sec. 2. 26 V.S.A. chapter 103 is added to read:

CHAPTER 103. LAW ENFORCEMENT OFFICERS

Subchapter 1. General Provisions

§ 5301. PURPOSE AND EFFECT

In order to safeguard the life and health of the people of this State, a person shall not practice, or offer to practice, as a law enforcement officer unless currently licensed under this chapter.

§ 5302. DEFINITIONS

As used in this chapter:

(1) "Category A conduct" means:

(A) A felony.

(B) A misdemeanor that is committed while on duty and did not involve the legitimate performance of duty.

(C) Any of the following misdemeanors, if committed off duty:

(i) simple assault, second offense;

(ii) domestic assault;

(iii) false reports and statements;

(iv) driving under the influence, second offense;

(v) violation of a relief from abuse order or of a condition of release;

(vi) stalking;

(vii) false pretenses;

(viii) voyeurism;

(ix) prostitution or soliciting prostitution;

(x) distribution of a regulated substance;

(xi) simple assault on a law enforcement officer; or

(xii) possession of a regulated substance, second offense.

(2) "Category B conduct" means gross professional misconduct amounting to actions on duty or under color of authority, or both, that involve willful failure to comply with a State-required policy or substantial deviation from professional conduct as defined by the law enforcement agency's policy or if not defined by the agency's policy, then as defined by rules adopted by the Office, such as:

(A) sexual harassment involving physical contact or misuse of position;

(B) misuse of official position for personal or economic gain;

(C) excessive use of force under color of authority, second offense;

(D) biased enforcement; or

(E) use of an electronic criminal records database for personal, political, or economic gain.

(3) "Category C conduct" means any allegation of misconduct pertaining to Office or Council processes or operations, including:

(A) intentionally exceeding the scope of practice for an officer's certification level;

(B) knowingly making material false statements or reports to the Office or Council;

(C) falsification of Office or Council documents;

(D) intentional interference with Office or Council investigations, including intimidation of witnesses or misrepresentations of material facts;

(E) material false statements about certification or licensure status to a law enforcement agency;

(F) knowing employment of an individual in a position or for duties for which the individual lacks proper certification;

(G) intentional failure to conduct a valid investigation or file a report as required by this chapter; or

(H) failure to complete annual in-service training required by the Council.

(4) "Certification" means the document issued by the Council that verifies that a law enforcement officer has successfully completed the Council's initial basic training or annual in-service training requirements, or such a document issued by another entity with training requirements substantially similar to those of the Council as determined by the Director.

(5) "Council" means the Vermont Criminal Justice Training Council.

(6) "Director" means the Director of the Office of Professional Regulation.

(7) "Effective internal affairs program" means that a law enforcement agency does all of the following:

(A) Complaints. Accepts complaints against its law enforcement officers from any source.

(B) Investigators. Assigns an investigator to determine whether an officer violated an agency rule or policy or State or federal law.

(C) Policies. Has language in its policies or applicable collective bargaining agreement that outlines for its officers expectations of employment or prohibited activity, or both, and provides due process rights for its officers in its policies. These policies shall establish a code of conduct and a corresponding range of discipline.

(D) Fairness in discipline. Treats its accused officers fairly and decides officer discipline based on just cause, a set range of discipline for offenses, consideration of mitigating and aggravating circumstances, and its policies' due process rights.

(E) Civilian review. Provides for review of officer discipline by civilians, which shall be a selectboard or other elected or appointed body or person, at least for the conduct required to be reported to the Office under this chapter. The assistant judges of a county shall appoint a committee of at least three and up to five civilians, who shall be selected from among elected officials who reside in the county, to review the discipline imposed on officers by the sheriff.

(8) "Executive officer" means the highest-ranking law enforcement officer of a law enforcement agency.

(9) "Law enforcement agency" means the employer of a law enforcement officer.

(10) "Law enforcement officer" means a member of the Department of Public Safety who exercises law enforcement powers; a member of the State Police; a Capitol Police officer; a municipal police officer; a constable who exercises law enforcement powers; a motor vehicle inspector; an employee of the Department of Liquor Control who exercises law enforcement powers; an investigator employed by the Secretary of State; a Board of Medical Practice investigator employed by the Department of Health; an investigator employed by the Attorney General or a State's Attorney; a fish and game warden; a sheriff; a deputy sheriff who exercises law enforcement powers; a railroad police officer commissioned pursuant to 5 V.S.A. chapter 68, subchapter 8; or a police officer appointed to the University of Vermont's Department of Police Services.

(11) "License" means a current authorization granted by the Director, permitting the practice as a law enforcement officer.

(12) "Office" means the Office of Professional Regulation.

(13) "Unprofessional conduct" means Category A, B, or C conduct.

(14)(A) "Valid investigation" means an investigation conducted pursuant to a law enforcement agency's established or accepted procedures.

(B) An investigation shall not be valid if:

(i) the agency has not adopted an effective internal affairs program;

(ii) the agency refuses, without any legitimate basis, to conduct an investigation;

(iii) the agency intentionally did not report allegations to the Office as required;

(iv) the agency attempts to cover up the misconduct or takes an action intended to discourage or intimidate a complainant; or

(v) the agency's executive officer is the officer accused of misconduct.

§ 5303. PROHIBITIONS; OFFENSES

(a) It shall be a violation of this chapter for any person, including any corporation, association, or individual, to:

(1) sell or fraudulently obtain or furnish any law enforcement degree, diploma, certification, license, or any other related document or record or to aid or abet therein;

(2) practice law enforcement under cover of any degree, diploma, registration, certification, license, or related document or record illegally or fraudulently obtained or signed or issued unlawfully or under fraudulent representation;

(3) practice as a law enforcement officer unless licensed or otherwise authorized to do so under the provisions of this chapter;

(4) represent himself or herself as being licensed or otherwise authorized by this State to practice as a law enforcement officer or use in connection with a name any words, letters, signs, or figures that imply that a person is a law enforcement officer when not licensed or otherwise authorized under this chapter;

(5) practice as a law enforcement officer during the time a license or authorization issued under this chapter is suspended or revoked; or

(6) employ an unlicensed or unauthorized person to practice as a law enforcement officer.

(b) Any person violating this section shall be subject to the penalties provided in 3 V.S.A. § 127.

§ 5304. EXEMPTIONS

The following shall not require a license under this chapter:

(1) The furnishing of assistance in the case of an emergency or disaster.

(2) The practice of a law enforcement officer who is employed by the U.S. government or any bureau, division, or agency of it while in the discharge of his or her official duties.

(3) The practice of any other occupation or profession by a person duly licensed or otherwise authorized under the laws of this State.

Subchapter 2. Administration

§ 5311. DUTIES OF THE DIRECTOR

(a) The Director shall:

(1) provide general information to applicants for license as law enforcement officers;

(2) receive applications for licensure and provide licenses to applicants qualified under this chapter;

(3) administer fees as established by law;

(4) refer all disciplinary matters to an administrative law officer;

(5) renew, revoke, and reinstate licenses as ordered by an administrative law officer; and

(6) explain appeal procedures to licensed law enforcement officers and to applicants and complaint procedures to the public.

(b) The Director may adopt rules appropriate to perform his or her duties under this chapter and to administer the provisions of this chapter.

§ 5312. ADVISOR APPOINTEES

(a)(1) The Secretary of State shall appoint three persons for five-year staggered terms to serve at the Secretary's pleasure as advisors in matters relating to law enforcement. One of the initial appointments shall be for less than a five-year term. The Secretary shall consider representation among small, medium, and large agencies as factors in making the appointments.

(2) An advisor appointee shall have not less than three years' experience as a law enforcement officer immediately preceding appointment; shall be licensed as a law enforcement officer in Vermont; and shall be actively engaged in the practice of law enforcement in this State during incumbency.

(b) The Director shall seek the advice of the law enforcement advisor appointees in carrying out the provisions of this chapter.

Subchapter 3. Licenses

§ 5321. ELIGIBILITY FOR LICENSURE

An applicant for licensure shall demonstrate that he or she has a current, valid certification.

§ 5322. LICENSURE RENEWAL

(a) In order to renew his or her license, a law enforcement officer shall demonstrate that he or she has a current, valid certification. A license shall be renewed biennially upon application and payment of the required fee. Failure to comply with the provisions of this section shall result in suspension of all privileges granted to the licensee, beginning on the expiration date of the license.

(b) A license that has lapsed shall be renewed upon payment of the renewal fee and any applicable late renewal penalty pursuant to 3 V.S.A. § 127(d).

§ 5323. APPLICATIONS

Applications for licensure and license renewal shall be on forms provided by the Director. Each application shall contain a statement under oath showing the applicant's certification and other pertinent information required by law and shall be accompanied by the required fee.

§ 5324. LICENSURE GENERALLY

(a) The Director shall issue a license or renew a license, upon payment of the fees required under this chapter, to an applicant or licensee who has satisfactorily met all the requirements of this chapter.

(b)(1) The actions and legal authority of a law enforcement officer employed by a law enforcement agency or elected to a law enforcement office whose license has expired and who acts with the apparent authority of a license issued under this chapter shall be valid at law, notwithstanding the failure to renew the license.

(2) The provisions of this subsection shall only apply during the 30-day reinstatement period described in subdivision (c)(2) of this section.

(c)(1) The Director shall provide written notice that the officer's license has expired to the officer, the officer's executive officer, if any, and the Council.

(2) The effective date of a license that was renewed during the 30 days following license expiration shall relate back to the date the license expired, up to the date the license was reinstated, and the license shall be deemed legally valid during that timeframe.

§ 5325. FEES

Applicants and persons regulated under this chapter shall pay those fees set forth in 3 V.S.A. § 125(b).

§ 5326. CONFIDENTIALITY OF PERSONAL INFORMATION

A law enforcement officer's home address and personal telephone number and email address produced or acquired under this chapter shall be kept confidential and are exempt from public inspection and copying under the Public Records Act.

Subchapter 4. Investigations, Reports, and Unprofessional Conduct Sanctions

§ 5331. INVESTIGATIONS

(a) Agency investigations of Category A and B conduct.

(1)(A) Each law enforcement agency shall conduct a valid investigation of any complaint alleging that a law enforcement officer employed by the agency committed Category A or Category B conduct. An agency shall conclude its investigation even if the officer resigns from the agency during the course of the investigation.

(B) Notwithstanding the provisions of subdivision (A) of this subdivision (1), a law enforcement agency shall refer to the Office any unprofessional conduct complaints made against a law enforcement officer who is the executive officer of that agency.

(2)(A) The Office shall accept from any source complaints alleging a law enforcement officer committed unprofessional conduct and, if the Director deems such a complaint credible, he or she shall refer any complaints regarding Category A or Category B conduct to the executive officer of the agency who employs that officer, and that agency shall conduct a valid investigation.

(B) Notwithstanding the provisions of subdivision (A) of this subdivision (2), the Office shall cause to be conducted an alternate course of investigation if the allegation is in regard to a law enforcement officer who is the executive officer of the agency.

(b) Exception to an agency's valid investigation. Notwithstanding a law enforcement agency's valid investigation of a complaint, the Office may investigate that complaint or cause the complaint to be investigated if the officer resigned before a valid investigation had begun or was completed.

(c) Office and Council investigations of Category C conduct.

(1) The Office shall investigate allegations of Category C conduct pertaining to Office processes.

(2) The Council shall investigate allegations of Category C conduct pertaining to Council processes.

§ 5332. LAW ENFORCEMENT AGENCIES; DUTY TO REPORT

(a)(1) The executive officer of a law enforcement agency or the chair of the agency's civilian review board shall report to the Office within 10 business days if any of the following occur in regard to a law enforcement officer of the agency:

(A) Category A.

(i) There is a finding of probable cause by the criminal division of a court that the officer committed Category A conduct.

(ii) There is any decision or findings of fact or verdict regarding allegations that the officer committed Category A conduct, including a judicial decision and any appeal therefrom.

(B) Category B.

(i) The agency receives a complaint against the officer that, if deemed credible by the executive officer of the agency as a result of a valid investigation, alleges that the officer committed Category B conduct.

(ii) The agency receives or issues any of the following:

(I) a report or findings of a valid investigation finding that the officer committed Category B conduct; or

(II) any decision or findings, including findings of fact or verdict, regarding allegations that the officer committed Category B conduct, including a hearing officer decision, arbitration, administrative decision, or judicial decision, and any appeal therefrom.

(C) Termination. The agency terminates the officer for Category A or Category B conduct.

(D) Resignation. The officer resigns from the agency while under investigation for unprofessional conduct.

(2) As part of his or her report, the executive officer of the agency or the chair of the civilian review board shall provide to the Office a copy of any relevant documents associated with the report, including any findings, decision, and the agency's investigative report. The information provided shall be treated as a complaint under the provisions of 3 V.S.A. § 131.

(b) The Director shall report to the Attorney General and the State's Attorney of jurisdiction any allegations that an officer committed Category A conduct.

§ 5333. PERMITTED OFFICE SANCTIONS

(a) Generally. The Office may impose any of the following sanctions on a law enforcement officer's license upon its finding that a law enforcement officer committed unprofessional conduct:

(1) written warning;

(2) suspension, but to run concurrently with the length and time of any suspension imposed by a law enforcement agency with an effective internal affairs program, which shall amount to suspension for time already served if an officer has already served a suspension imposed by his or her agency with such a program;

(3) revocation, with the option of relicensure at the discretion of the Office; or

(4) permanent revocation.

(b) Intended revocation; temporary voluntary surrender.

(1)(A) If, after an evidentiary hearing, the Office intends to revoke a law enforcement officer's license due to its finding that the officer committed unprofessional conduct, the Office shall issue a decision to that effect.

(B) Within 10 business days from the date of that decision, such an officer may voluntarily surrender his or her license if there is a pending labor proceeding related to the Office's unprofessional conduct findings.

(C) A voluntary surrender of an officer's license shall remain in effect until the labor proceeding and all appeals are finally adjudicated or until the officer requests a final sanction hearing, whichever occurs first, and thereafter until the Office's final sanction hearing on the matter. At that hearing, the Office may modify its findings and decision on the basis of additional evidence, but shall not be bound by any outcome of the labor proceeding.

(2) If an officer fails to voluntarily surrender his or her license in accordance with subdivision (1) of this subsection, the Office's original findings and decision shall take effect. However, if the final adjudication of the labor proceeding is inconsistent with the Office's findings and decision, at the officer's request, the Director may, in his or her discretion, order that the Office's findings and decision be reconsidered.

§ 5334. LIMITATION ON OFFICE SANCTIONS; FIRST OFFENSE OF CATEGORY B CONDUCT

(a) Category B conduct; first offense. If a law enforcement agency conducts a valid investigation of a complaint alleging that a law enforcement officer committed a first offense of Category B conduct, the Office shall take no action.

(b) "Offense" defined. As used in this section, an "offense" means any offense committed by a law enforcement officer during the course of his or her licensure, and includes any offenses committed during employment at a previous law enforcement agency.

§ 5335. INVALID INVESTIGATIONS

Nothing in this subchapter shall prohibit the Office from causing a complaint to be investigated or taking disciplinary action on an officer's license if the Office determines that a law enforcement agency's investigation of the officer's conduct did not constitute a valid investigation.

Sec. 3. CREATION OF TWO NEW POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION

(a) To support the administration of law enforcement officer professional regulation set forth in Sec. 2 of this act, there is created the following positions within the Secretary of State's Office of Professional Regulation:

(1) one classified investigator; and

(2) one exempt attorney.

(b) Any funding necessary to support the positions created under subsection (a) of this section shall be derived from the Office's Professional Regulatory Fee Fund, with no General Fund dollars.

* * * Council Revisions * * *

Sec. 4. 20 V.S.A. § 2357 is amended to read:

§ 2357. POWERS AND DUTIES OF THE EXECUTIVE DIRECTOR

(a) The Executive Director of the Council, on behalf of the Council, shall have the following powers and duties, subject to the supervision of the Council and to be exercised only in accordance with rules adopted under this chapter:

* * *

(b) The Executive Director shall collaborate with the Office of Professional Regulation to alert the Office of:

(1) persons who have successfully obtained or renewed their certification; and

(2) the reports made under section 2362 of this chapter.

Sec. 5. 20 V.S.A. § 2360 is added to read:

§ 2360. LAW ENFORCEMENT AGENCIES; DUTY TO ADOPT AN EFFECTIVE INTERNAL AFFAIRS PROGRAM

(a) Each law enforcement agency shall adopt an effective internal affairs program in order to manage complaints regarding the agency's law enforcement officers.

(b) The Council shall create and maintain an effective internal affairs program model policy that may be used by law enforcement agencies to meet the requirements of this section.

(c) As used in this section, an "effective internal affairs program" means that a law enforcement agency does all of the following:

(1) Complaints. Accepts complaints against its law enforcement officers from any source.

(2) Investigators. Assigns an investigator to determine whether an officer violated an agency rule or policy or State or federal law.

(3) Policies. Has language in its policies or applicable collective bargaining agreement that outlines for its officers expectations of employment or prohibited activity, or both, and provides due process rights for its officers in its policies. These policies shall establish a code of conduct and a corresponding range of discipline.

(4) Fairness in discipline. Treats its accused officers fairly, and decides officer discipline based on just cause, a set range of discipline for offenses, consideration of mitigating and aggravating circumstances, and its policies' due process rights.

(5) Civilian review. Provides for review of officer discipline by civilians, which shall be a selectboard or other elected or appointed body or person, at least for the conduct required to be reported to the Office of Professional Regulation under 26 V.S.A. chapter 103. The assistant judges of a county shall appoint a committee of at least three and up to five civilians, who shall be selected from among elected officials who reside in the county, to review the discipline imposed on officers by the sheriff.

Sec. 6. 20 V.S.A. § 2362 is amended to read:

§ 2362. REPORTS

(a) Within ten business days:

(1) Elected constables. A town, village, or city clerk shall notify the Council, on a form provided by the Council, of the election, appointment to fill a vacancy under 24 V.S.A. § 963, expiration of term, or reelection of any constable.

(2) Appointed constables and police chiefs. The legislative body of a municipality or its designee shall notify the Council of the appointment or removal of a constable or police chief.

(3) Municipal police officers. A police chief appointed under 24 V.S.A. § 1931 shall notify the Council of the appointment or removal of a police officer under the police chief's direction and control.

(4) State law enforcement officers. The appointing authority of a State agency employing a law enforcement officer shall notify the Council of the appointment or removal of a law enforcement officer employed by that agency.

(5) Sheriffs' officers. A sheriff shall notify the Council of the appointment or removal of a deputy or other law enforcement officer employed by that sheriff's department.

(b) Notification required by this section shall include the name of the constable, police chief, police officer, deputy, or other law enforcement officer~~,~~; the date of appointment or removal~~,~~; and the term of office or length of appointment, if any.

~~(c) A report required by this section may be combined with any report required under subchapter 2 of this chapter.~~

Sec. 7. REPEALS

The following are repealed in Title 20:

(1) In chapter 151 (Vermont Criminal Justice Training Council), the subchapter 1 (General Provisions) designation.

(2) In chapter 151, subchapter 2 (Unprofessional Conduct).

Sec. 8. 2017 Acts and Resolves No. 56, Sec. 2 is amended to read:

Sec. 2. TRANSITIONAL PROVISIONS TO IMPLEMENT THIS ACT

(a) Effective internal affairs programs.

(1) Law enforcement agencies. On or before July 1, 2018, each law enforcement agency shall adopt an effective internal affairs program in accordance with 20 V.S.A. ~~§ 2402(a) in Sec. 1 of this act~~ § 2360(a).

(2) Vermont Criminal Justice Training Council. On or before April 1, 2018, the Vermont Criminal Justice Training Council shall adopt an effective internal affairs program model policy in accordance with 20 V.S.A. ~~§ 2402(b) in Sec. 1 of this act~~ § 2360(b).

(b) ~~Alleged law enforcement officer unprofessional conduct. The provisions of 20 V.S.A. chapter 151, subchapter 2 (unprofessional conduct) in Sec. 1 of this act shall apply to law enforcement officer conduct alleged to have been committed on and after the effective date of that subchapter.~~ [Repealed.]

(c) Duty to disclose. The requirement for a former law enforcement agency to disclose the reason that a law enforcement officer is no longer employed by the agency as set forth in 20 V.S.A. § 2362a in Sec. 1 of this act shall not apply if there is a binding nondisclosure agreement prohibiting that disclosure that was executed prior to the effective date of that section.

(d) ~~Council rules. The Vermont Criminal Justice Training Council may adopt rules in accordance with 20 V.S.A. § 2411 (Council rules) in Sec. 1 of this act, prior to the effective date of that section.~~ [Repealed.]

(e) ~~Council Advisory Committee. The Governor shall make appointments to the Council Advisory Committee set forth in 20 V.S.A. § 2410 in Sec. 1 of this act prior to the effective date of that section.~~ [Repealed.]

(f) ~~Annual report of Executive Director. Annually, on or before January 15, beginning in the year 2019 and ending in the year 2022, the Executive Director of the Vermont Criminal Justice Training Council shall report to the General Assembly regarding the Executive Director's analysis of the implementation of this act and any recommendations he or she may have for further legislative action.~~ [Repealed.]

(g) Council, OPR; joint report. On or before October 1, 2017, the Executive Director of the Vermont Criminal Justice Training Council and the Director of the Office of Professional Regulation (Office) shall consult with law enforcement stakeholders and report to the Senate and House Committees on Government Operations on a proposal for the Office to perform duties related to the professional regulation of law enforcement officers.

* * * Vermont State Police * * *

Sec. 9. 20 V.S.A. § 1923 is amended to read:

§ 1923. INTERNAL INVESTIGATION

(a)(1) The State Police Advisory Commission shall advise and assist the Commissioner in developing and making known routine procedures to ensure that allegations of misconduct by State Police officers are investigated fully and fairly, and to ensure that appropriate action is taken with respect to such allegations.

(2) The Commissioner shall ensure that the procedures described in subdivision (1) of this subsection constitute an effective internal affairs program in order to comply with section ~~2402~~ 2360 of this title.

* * *

(d) Records of the Office of Internal Investigation shall be confidential, except:

(1) the State Police Advisory Commission shall, at any time, have full and free access to such records;

(2) the Commissioner shall deliver such materials from the records of the Office as may be necessary to appropriate prosecutorial authorities having jurisdiction;

(3) the Director of the State Police or the Chair of the State Police Advisory Commission shall report to the ~~Vermont Criminal Justice Training Council as required by section 2403 of this title~~ Office of Professional Regulation as required by 26 V.S.A. § 5332; and

(4) the State Police Advisory Commission shall, in its discretion, be entitled to report to such authorities as it may deem appropriate or to the public, or both, to ensure that proper action is taken in each case.

* * * Transitional Provisions, Conforming Revisions, and Effective Date * * *

Sec. 10. TRANSITIONAL PROVISIONS

(a) Transfer of regulation. On the effective date of this act, a person certified as a law enforcement officer by the Vermont Criminal Justice Training Council under the provisions of 20 V.S.A. chapter 151 shall be deemed licensed as a law enforcement officer by the Office of Professional Regulation under the provisions of 26 V.S.A. chapter 103 upon payment of the initial license fee set forth in 26 V.S.A. § 5325 in Sec. 2 of this act.

(b) Alleged law enforcement officer unprofessional conduct. The unprofessional conduct provisions applicable to law enforcement officers set forth in Sec. 2 of this act shall apply to law enforcement officer conduct alleged to have been committed on and after the effective date of this act.

Sec. 11. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall replace references to law enforcement officers certified by the Vermont Criminal Justice Training Council under 20 V.S.A. chapter 151 with references to law enforcement officers licensed by the Office of Professional Regulation under 26 V.S.A. chapter 103 and make substantially similar revisions as needed for consistency with Secs. 1-3 of this act, provided the revisions have no other effect on the meaning of the affected statutes.

Sec. 12. IMPLEMENTATION

(a) The advisor appointees created in Sec. 2, in 26 V.S.A. § 5312, shall be appointed within 60 days of the effective date of this section.

(b) The Director of the Office of Professional Regulation may adopt rules in accordance with the provisions of Sec. 2 of this act prior to the effective date of that section.

Sec. 13. EFFECTIVE DATES

(a) The following sections shall take effect on January 1, 2019:

(1) Sec. 1 (amending 3 V.S.A. § 122);

(2) Sec. 2 (adding 26 V.S.A. chapter 103);

(3) Sec. 9 (amending 20 V.S.A. § 1923);

(4) Sec. 10 (transitional provisions); and

(5) Sec. 11 (conforming revisions).

(b) The following sections shall take effect on July 1, 2018:

(1) Sec. 6 (amending 20 V.S.A. § 2362); and

(2) Sec. 7 (repeals), except that in 20 V.S.A. § 2355 (Council powers and duties), subdivision (a)(11) (decertification of persons who have been convicted of a felony subsequent to their certification as law enforcement officers) shall be repealed on January 1, 2019.

(c) This section and the following sections shall take effect on passage:

(1) Sec. 3 (creating positions in the Office of Professional Regulation);

(2) Sec. 4 (amending 20 V.S.A. § 2357);

(3) Sec. 5 (adding 20 V.S.A. § 2360);

(4) Sec. 8 (amending 2017 Acts and Resolves No. 56, Sec. 2); and

(5) Sec. 12 (implementation).

And that when so amended the bill ought to pass.

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

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

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

Bill Amended; Third Reading Ordered

S. 269.

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

An act relating to blockchain, cryptocurrency, and financial technology.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 8 V.S.A. chapter 78 is added to read:

CHAPTER 78. PERSONAL INFORMATION TRUST COMPANIES

§ 2451. DEFINITIONS

As used in this section:

(1) "Personal information" means data capable of being associated with a particular natural person, including gender identification, birth information, marital status, citizenship and nationality, government identification designations, and personal, educational, and financial histories.

(2) "Personal information trust business" means a person that offers to the public by advertising, solicitation, or other means that the person is available to hold personal information in trust as a fiduciary.

§ 2452. PERSONAL INFORMATION AS THE SUBJECT OF A FIDUCIARY RELATIONSHIP

(a) Personal information may be held under a trust relationship in accordance with the terms of this chapter.

(b) A person who holds personal information under a trust relationship has a fiduciary responsibility to the individual whose identity is in question over the maintenance and release of personal information.

(c) Personal information held pursuant to this section creates a personal identity trust.

§ 2453. QUALIFIED PERSONAL INFORMATION TRUST COMPANY

(a) The trustee of a personal information trust shall qualify to conduct its business under the terms of this chapter and applicable rules adopted by the Department.

(b) A person shall not engage in business as a personal information trust company in this State without first obtaining a certificate of authority from the Department.

(c) A personal information trust company shall:

(1) be organized under the laws of this State as a business corporation, a benefit corporation, a limited liability company, a low-profit limited liability company, a partnership, a limited partnership, a nonprofit corporation, or a cooperative;

(2) maintain a place of business in this State;

(3) appoint a registered agent to accept service of process and to otherwise act on its behalf in this State, provided that whenever the registered agent cannot with reasonable diligence be found at the Vermont registered office of the company, the Secretary of State shall be an agent of the company upon whom any process, notice, or demand may be served; and

(4) hold at least one meeting of its governing body in this State each year.

§ 2454. NAME; OFFICE

A personal information trust business shall file with the Department of Financial Regulation the name it proposes to use in connection with its business, which the Department shall not approve if it determines that the name may be misleading, likely to confuse the public, or deceptively similar to any other business name in use in this State.

§ 2455. CONDUCT OF BUSINESS

(a) A personal information trust company may:

(1) operate through remote interaction with the individuals entrusting personal information to the company, and there shall be no requirement of Vermont residency or other contact for any such individual to establish such a relationship with the company; and

(2) subject to applicable fiduciary duties, the terms of any agreement with the individual involved, and any applicable statutory or regulatory provision:

(A) provide elements of personal information to third parties with which the individual seeks to have a transaction, a service relationship, or other particular purpose interaction;

(B) provide certification or validation concerning personal information;

(C) receive compensation for acting in these capacities; and

(D) transact business through the use of a mathematically secured, chronological, and decentralized consensus ledger or database, whether maintained via Internet interaction, peer-to-peer network, or otherwise.

(b) An authorization to provide personal information may be either particular or general, provided it meets the terms of any agreement with the individual involved and any rules adopted by the Department of Financial Regulation.

§ 2456. REPORTS; FEES; AUTHORITY OF DEPARTMENT

(a) The Department of Financial Regulation shall prescribe by rule the timing and manner of reports by a personal identity trust company to the Department that shall reflect the approach mandated under section 2405 of this title.

(b)(1) The Department shall assess the following fees for a personal information trust company:

(A) an initial registration fee of $1,000.00, which includes a licensing fee of $500.00 and an investigation fee of $500.00;

(B) an annual renewal fee of $500.00;

(C) a change in address fee of $100.00.

(2) The Department shall have the authority to bill a personal information trust company for examination time at its standard rate.

(c) In addition to other powers conferred by this chapter, the Department may exercise, with respect to a personal information trust company, all of the powers granted to the Commissioner under section 2410 of this title with respect to oversight of an independent trust company.

§ 2457. RULES

The Department of Financial Regulation shall adopt rules to govern other aspects of the business of a personal information trust company, including its protection and safeguarding of personal information and its interaction with third parties with respect to personal information it holds.

Sec. 2. INSURANCE; E-BANKING; DFR STUDY; REPORT

(a) The Department of Financial Regulation shall review the potential application of blockchain technology to the provision of insurance and e-banking and consider areas for potential adoption of a comparable program or regulatory changes within Vermont.

(b) On or before January 15, 2019, the Department shall submit a report of its findings and recommendations to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

Sec. 3. FINTECH SUMMIT

(a) The Agency of Commerce and Community Development, in collaboration with the Department of Financial Regulation, the University of Vermont, the Vermont State Colleges, Norwich University, Vermont Law

School, the Agency of Education, regional CTE centers, and in consultation with private sector practitioners, shall organize and hold a FinTech Summit to:

(1) explore legal and regulatory mechanisms to promote the adoption of financial technology in State government;

(2) explore opportunities to promote financial technology and economic development in the private sector, including in the areas of banking, insurance, retail and service businesses, and cryptocurrency providers and proponents; and

(3) explore opportunities to integrate financial technology into secondary and postsecondary education in Vermont.

(b) In fiscal year 2019, the amount of $25,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to implement this section.

* * * Effective Date * * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

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

By striking out Sec. 3 (fintech summit) in its entirety and inserting in lieu thereof a new Sec. 3 to read:

Sec. 3. FINTECH SUMMIT

The Agency of Commerce and Community Development, in collaboration with the Department of Financial Regulation, the University of Vermont and State Agricultural College, the Vermont State Colleges, Norwich University, Vermont Law School, the Agency of Education, and regional CTE centers, and in consultation with private sector practitioners, shall organize and hold a FinTech Summit to:

(1) explore legal and regulatory mechanisms to promote the adoption of financial technology in State government;

(2) explore opportunities to promote financial technology and economic development in the private sector, including in the areas of banking, insurance,

retail and service businesses, and cryptocurrency providers and proponents; and

(3) explore opportunities to integrate financial technology into secondary and postsecondary education in Vermont.

And that when so amended the bill ought to pass.

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

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

Thereupon, third reading of the bill was ordered.

Senator Ashe Assumes the Chair

Bill Amended; Third Reading Ordered

S. 273.

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

An act relating to miscellaneous law enforcement amendments.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Training * * *

Sec. 1. 20 V.S.A. § 2352 is amended to read:

§ 2352. COUNCIL MEMBERSHIP

(a)(1) The Vermont Criminal Justice Training Council shall consist of:

(A) the Commissioners of Public Safety, ~~of Corrections,~~ of Motor Vehicles, ~~and~~ of Fish and Wildlife, and of Mental Health;

(B) the Attorney General;

(C) a member of the Vermont Troopers' Association or its successor entity, elected by its membership;

(D) a member of the Vermont Police Association, elected by its membership; ~~and~~

(E) ~~five additional members appointed by the Governor.~~

~~(i) The Governor's appointees shall provide broad representation of all aspects of law enforcement and the public in Vermont on the Council.~~

~~(ii) The Governor shall solicit recommendations for appointment from the Vermont State's Attorneys Association, the Vermont State's Sheriffs Association, the Vermont Police Chiefs Association, and the Vermont Constables Association~~ a member of the Chiefs of Police Association of Vermont, appointed by the President of the Association;

(F) a member of the Vermont Sheriffs' Association, appointed by the President of the Association;

(G) a law enforcement officer appointed by the President of the Vermont State Employees Association;

(H) an employee of the Vermont League of Cities and Towns, appointed by the Executive Director of the League;

(I) an employee of the Vermont Center for Crime Victim Services, appointed by the Executive Director of the Center; and

(J) three public members who shall not be law enforcement officers or otherwise be employed in the criminal justice system, one of whom shall be appointed by the Speaker of the House, one of whom shall be appointed by the Senate Committee on Committees, and one of whom shall be appointed by the Governor.

* * *

Sec. 2. 20 V.S.A. § 2355 is amended to read:

§ 2355. COUNCIL POWERS AND DUTIES

(a) The Council shall adopt rules with respect to:

(1) the approval, or revocation thereof, of law enforcement officer training schools and off-site training programs, which shall include rules to identify and implement alternate routes to certification aside from the training provided at the Vermont Police Academy;

* * *

(b)(1)(A) The Council shall conduct and administer training schools and offer courses of instruction for law enforcement officers and other criminal justice personnel. The Council shall offer courses of instruction for law enforcement officers in multiple regions of the State and shall strive to replace overnight courses with these regional trainings whenever possible.

(B) The Council shall offer its training programs for law enforcement officers on a first-come, first-served basis and only for named individuals.

(2) The Council may also offer the basic officer's course for ~~pre-service~~ preservice students and educational outreach courses for the public, including firearms safety and use of force.

* * *

Sec. 3. COUNCIL; REPORT ON TRAINING ALTERNATIVES

On or before January 15, 2019, the Executive Director of the Vermont Criminal Justice Training Council shall report to the Senate and House Committees on Government Operations regarding the Council's identification and implementation of alternate routes to certification and its plan to replace some of its overnight law enforcement training requirements at the Robert H. Wood, Jr. Criminal Justice and Fire Service Training Center of Vermont (Police Academy) with training in multiple regions of the State, in accordance with 20 V.S.A. § 2355 in Sec. 2 of this act. The report may be in verbal form.

Sec. 4. 20 V.S.A. § 2361 is amended to read:

§ 2361. ADDITIONAL TRAINING

(a) Nothing in this chapter prohibits any ~~State~~ law enforcement agency~~, department, or office or any municipality or county of the State~~ from providing additional training beyond basic training to its personnel where no certification is requested of or required by the Council or its Executive Director.

(b) The ~~head of a State agency, department, or office, a municipality's chief of police, or a sheriff~~ executive officer of a law enforcement agency may seek certification from the Council for any in-service training he or she may provide to ~~his or her employees~~ law enforcement officers of his or her agency, or of another agency, or both.

Sec. 5. 20 V.S.A. § 2358 is amended to read:

§ 2358. MINIMUM TRAINING STANDARDS; DEFINITIONS

* * *

(b) The Council shall offer or approve basic training and annual in-service training for each of the following three levels of law enforcement officer certification in accordance with the scope of practice for each level~~,~~ and shall determine by rule the scope of practice for each level in accordance with the provisions of this section:

(1) Level I certification.

* * *

(2) Level II certification.

* * *

(3) Level III certification.

* * *

(c)(1) All programs required by this section shall be approved by the Council.

(2) The Council shall structure its programs so that an officer certified as a Level II law enforcement officer may complete additional training in block steps in order to transition to Level III certification, without such an officer needing to restart the certification process.

(3) Completion of a program shall be established by a certificate to that effect signed by the Executive Director of the Council.

* * *

* * * Administration * * *

Sec. 6. 20 V.S.A. § 2053 is amended to read:

§ 2053. COOPERATION WITH OTHER AGENCIES

(a) The ~~center~~ Center shall cooperate with other ~~state~~ State departments and agencies, municipal police departments, sheriffs, and other law enforcement officers in this ~~state~~ State and with federal and international law enforcement agencies to develop and carry on a uniform and complete ~~state~~ State, interstate, national, and international system of records of ~~criminal activities~~ commission of crimes and information.

(b)(1) All ~~state~~ State departments and agencies, municipal police departments, sheriffs, and other law enforcement officers shall cooperate with and assist the ~~center~~ Center in the establishment of a complete and uniform system of records relating to the commission of crimes, arrests, convictions, imprisonment, probation, parole, fingerprints, photographs, stolen property, and other matters relating to the identification and records of persons who have or who are alleged to have committed a crime, or who are missing persons, or who are fugitives from justice.

(2) In order to meet the requirements of subdivision (1) of this subsection, the Center shall establish and provide training on a uniform list of definitions to be used in entering data into a law enforcement agency's system of records, and every law enforcement officer shall use those definitions when entering data into his or her agency's system.

* * * Coverage * * *

Sec. 7. 20 V.S.A. chapter 113, subchapter 2 is amended to read:

Subchapter 2. State Police

* * *

§ 1916. STATE POLICE BARRACKS; DUTY TO PROVIDE CALL INFORMATION

On a quarterly basis, each State Police barracks shall submit to the selectboard of each town within the barracks' jurisdiction a report describing the nature of calls to the State Police from residents in that town in the preceding quarter, without providing any personally identifying information.

Sec. 8. LEAB; REPEAL FOR RECODIFICATION

24 V.S.A. § 1939 (Law Enforcement Advisory Board) is repealed.

Sec. 9. 20 V.S.A. § 1818 is added to read:

§ 1818. LAW ENFORCEMENT ADVISORY BOARD

(a) The Law Enforcement Advisory Board is created within the Department of Public Safety to advise the Commissioner of Public Safety, the Governor, and the General Assembly on issues involving the cooperation and coordination of all agencies that exercise law enforcement responsibilities. The Board shall review any matter that affects more than one law enforcement agency. The Board shall comprise the following members:

(1) the Commissioner of Public Safety or designee;

(2) a member of the Chiefs of Police Association of Vermont appointed by the President of the Association;

(3) a member of the Vermont Sheriffs' Association appointed by the President of the Association;

(4) a representative of the Vermont League of Cities and Towns appointed by the Executive Director of the League;

(5) a member of the Vermont Police Association appointed by the President of the Association;

(6) the Attorney General or designee;

(7) a State's Attorney appointed by the Executive Director of the Department of State's Attorneys and Sheriffs;

(8) the U.S. Attorney or designee;

(9) the Executive Director of the Vermont Criminal Justice Training Council;

(10) the Defender General or designee;

(11) a representative of the Vermont Troopers' Association or its successor entity, elected by its membership;

(12) a member of the Vermont Constables Association appointed by the President of the Association; and

(13) a law enforcement officer appointed by the President of the Vermont State Employees Association.

(b) The Board shall elect a chair and a vice chair, which positions shall rotate among the various member representatives. Each member shall serve a term of two years. The Board shall meet at the call of the Chair or a majority of the members. A quorum shall consist of seven members, and decisions of the Board shall require the approval of a majority of those members present and voting.

(c) The Board shall undertake an ongoing formal process of reviewing law enforcement policies and practices with a goal of developing a comprehensive approach to providing the best services to Vermonters, given the monies available. The Board shall also provide educational resources to Vermonters about public safety challenges in the State.

(d)(1) The Board shall meet at its discretion to develop policies and recommendations for law enforcement priority needs, including retirement benefits, recruitment of officers, training, homeland security issues, dispatching, and comprehensive drug enforcement.

(2) The Board shall present its findings and recommendations in brief summary form to the House and Senate Committees on Judiciary and on Government Operations annually on or before January 15.

Sec. 10. LEAB; RECODIFICATION DIRECTIVE

(a) 24 V.S.A. § 1939 is recodified as 20 V.S.A. § 1818. During statutory revision, the Office of Legislative Council shall revise accordingly any references to 24 V.S.A. § 1939 in the Vermont Statutes Annotated.

(b) Any references in session law and adopted rules to 24 V.S.A. § 1939 as previously codified shall be deemed to refer to 20 V.S.A. § 1818.

Sec. 11. LEAB; 2019 REPORT ON MUNICIPAL ACCESS TO LAW ENFORCEMENT SERVICES

As part of its annual report in the year 2019, the Law Enforcement Advisory Board shall specifically recommend ways that towns can increase access to law enforcement services.

* * * Dispatch * * *

Sec. 12. DEPARTMENT OF PUBLIC SAFETY AND THE VERMONT ENHANCED 911 BOARD; PROPOSAL FOR AN EQUITABLE STATEWIDE PUBLIC SAFETY DISPATCH SYSTEM

(a)(1) The Department of Public Safety and the Vermont Enhanced 911 Board shall consult with the Vermont League of Cities and Towns as an equal partner in order to propose a plan that would result in a comprehensive, efficient, and equitably funded public safety dispatch system to dispatch law enforcement, fire, and emergency medical services statewide. In proposing the plan, consideration shall be given to existing and planned regional dispatch centers.

(2) Included in the proposed plan shall be recommendations regarding:

(A) the manner in which different dispatch services should communicate among each other;

(B) whether there should be different dispatching services used among State agencies and departments;

(C) the role of regional dispatch centers;

(D) the funding source or sources for the proposed plan; and

(E) the timeframe for implementing the proposed plan.

(b) On or before November 1, 2019, the Department and the Board shall jointly submit the proposed plan to:

(1) the Senate Committees on Finance, on Government Operations, on Appropriations, and on Economic Development, Housing and General Affairs;

(2) the House Committees on Commerce and Economic Development, on Government Operations, on Appropriations, and on Ways and Means; and

(3) the Governor.

* * * Effective Dates and Implementation * * *

Sec. 13. EFFECTIVE DATES; IMPLEMENTATION

This act shall take effect on July 1, 2018, except the following sections shall take effect on July 1, 2019:

(1) Sec. 2, amending 20 V.S.A. § 2355 (Council powers and duties), except that the requirement to adopt rules set forth in subdivision (a)(1) of that section shall take effect on July 1, 2018 so that those rules are adopted on or before July 1, 2019;

(2) Sec. 5, amending 20 V.S.A. § 2358 (minimum training standards; definitions); and

(3) Sec. 6, amending 20 V.S.A. § 2053 (cooperation with other agencies).

And that when so amended the bill ought to pass.

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

In Sec. 1, 20 V.S.A. § 2352 (Council membership), in subdivision (a)(1)(J), following "three public members who shall not be law enforcement officers" by inserting the following: , current legislators,

And that when so amended the bill ought to pass.

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

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 21, 2018.

WEDNESDAY, MARCH 21, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend John H. D. Lucy of Waterbury.

Message from the House No. 32

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. 710. An act relating to beer franchises.

H. 767. An act relating to adopting the ThinkVermont Innovation Initiative.

H. 831. An act relating to funding for an accelerated weatherization program.

H. 916. An act relating to increasing the moral obligation authority of the Vermont Economic Development Authority.

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

Committee Relieved of Further Consideration; Bill Committed

H. 696.

On motion of Senator Ayer, the Committee on Health and Welfare was relieved of further consideration of House bill entitled:

An act relating to establishing a State individual mandate,

and the bill was committed to the Committee on Finance.

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:

Granquist, Deborah of Weston - Member of the Board of Libraries - from March 9, 2018, to February 28, 2022.

To the Committee on Education.

Post, Bruce of Essex Junction - Member of the Board of Libraries - from March 9, 2018, to February 28, 2022.

To the Committee on Education.

Shafrtiz, Megan J. of South Burlington - Superior Judge - from March 21, 2018, to March 31, 2019.

To the Committee on Judiciary.

Bills Referred

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

H. 710.

An act relating to beer franchises.

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

H. 767.

An act relating to adopting the ThinkVermont Innovation Initiative.

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

H. 831.

An act relating to funding for an accelerated weatherization program.

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

H. 916.

An act relating to increasing the moral obligation authority of the Vermont Economic Development Authority.

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

Bill Amended; Third Reading Ordered

S. 281.

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

An act relating to the Systemic Racism Mitigation Oversight and Equity Review Board.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly to promote racial justice reform throughout the State by mitigating systemic racism in all systems of State government and creating a culture of inclusiveness.

Sec. 2. 3 V.S.A. § 2102 is amended to read:

§ 2102. POWERS AND DUTIES

(a) The Governor's Cabinet shall adopt and implement a program of continuing coordination and improvement of the activities carried on at all levels of State and local government.

(b) The Cabinet shall work collaboratively with the Chief Civil Rights Officer and shall provide the Chief with access to all relevant records and information.

Sec. 3. 3 V.S.A. chapter 68 is added to read:

CHAPTER 68. CHIEF CIVIL RIGHTS OFFICER

§ 5001. POSITION

(a) There is created within the Executive Branch an independent position named the Chief Civil Rights Officer to identify and work to eradicate systemic racism within State government.

(b) The Chief Civil Rights Officer shall have the powers and duties enumerated within section 2102 of this title, but shall operate independently of the Governor's Cabinet.

(c) The Chief Civil Rights Officer shall not be attached to any State department or agency, but shall be housed within and have administrative, legal, and technical support of the Agency of Administration.

§ 5002. CIVIL RIGHTS ADVISORY PANEL

(a) The Civil Rights Advisory Panel is established. The Panel shall be organized and have the duties and responsibilities as provided in this section. The Panel may consult with the Governor's Workforce Equity and Diversity Council, the Vermont Human Rights Commission, and others. The Panel shall have administrative, legal, and technical support of the Agency of Administration.

(b)(1) The Panel shall consist of five members, as follows:

(A) one member appointed by the Senate Committee on Committees who shall not be a current senator;

(B) one member appointed by the Speaker of the House who shall not be a current representative;

(C) one member appointed by the Chief Justice of the Supreme Court who shall not be a current legislator;

(D) one member appointed by the Governor who shall not be a current legislator; and

(E) one member appointed by the Human Rights Commission who shall not be a current legislator.

(2) Members shall have experience working to implement racial justice reform and, to the extent possible, represent geographically diverse areas of the State. At least three members shall be persons of color.

(3) The term of each member shall be three years, except that of the members first appointed, one each shall serve a term of one year, two years, three years, four years, and five years, so that the term of one regular member expires in each ensuing year. As terms of currently serving members expire, appointments of successors shall be in accord with the provisions of this subsection. 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 shall serve until their successors are elected or appointed. Members shall serve not more than three consecutive terms in any capacity.

(4) Members of the Panel shall elect by majority vote the Chair of the Panel, who shall serve for a term of three years after the implementation period.

(c) The Panel shall have the following duties and responsibilities:

(1) appoint the Chief Civil Rights Officer;

(2) work with the Chief Civil Rights Officer to implement the reforms identified as necessary in the comprehensive organizational review as required by section 5003(a) of this title;

(3) oversee and advise the Chief to ensure ongoing compliance with the purpose of this chapter; and

(4) on or before January 15, 2020, and annually thereafter, report to the House and Senate Committees on Government Operations.

(d) Only the Panel may remove the Chief Civil Rights Officer. The Panel shall adopt rules pursuant to chapter 25 of this title to define the basis and process for removal.

(e) Each member of the Panel shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

§ 5003. DUTIES OF CHIEF CIVIL RIGHTS OFFICER

(a) The Chief Civil Rights Officer shall work with the agencies and departments to implement a program of continuing coordination and improvement of activities in State government in order to combat systemic racial disparities and measure progress toward fair and impartial governance, including:

(1) oversee a comprehensive organizational review to identify systemic racism in each of the three branches of State government and inventory systems in place that engender racial disparities, which may be completed by a consultant or outside vendor; and

(2) manage and oversee the statewide collection of race-based data to determine the nature and scope of racial discrimination within all systems of State government.

(b) Pursuant to section 2102 of this title, work collaboratively with State agencies and departments to gather relevant existing data and records necessary to carry out the purpose of this chapter.

(c) The Chief shall work with the agencies and departments and with the Chief Performance Officer to develop performance targets and performance measures for the General Assembly, the Judiciary, and the agencies and departments to evaluate respective results in improving systems. These performance measures shall be included in the agency's or department's quarterly reports to the Chief, and the Chief shall include each agency's or department's performance targets and performance measures in his or her annual reports to the General Assembly.

(d) The Chief shall, in consultation with the Department of Human Resources and the agencies and departments, develop and conduct trainings for agencies and departments. Nothing in this subsection shall be construed to discharge the existing duty of the Department of Human Resources to conduct trainings.

(e) In order to enforce the provisions of this chapter and empower the Chief to perform his or her duties, the Chief may issue subpoenas, administer oaths and take the testimony of any person under oath, and require production of data, papers, and records. Any subpoena or notice to produce may be served by registered or certified mail or in person by an agent of the Chief. Service by registered or certified mail shall be effective three business days after mailing. Any subpoena or notice to produce shall provide at least six business days' time from service within which to comply, except that the Chief may shorten the time for compliance for good cause shown. Any subpoena or notice to produce sent by registered or certified mail, postage prepaid, shall constitute service on the person to whom it is addressed. Each witness who appears before the Chief under subpoena shall receive a fee and mileage as provided for witnesses in civil cases in Superior Courts; provided, however, any person subject to the Chief's authority shall not be eligible to receive fees or mileage under this section.

Sec. 4. AUTHORIZATION FOR CHIEF CIVIL RIGHTS OFFICER POSITION

One new permanent, exempt position of Chief Civil Rights Officer is created within the Agency of Administration.

Sec. 5. APPROPRIATION

There is appropriated to the Agency of Administration from the General Fund for fiscal year 2020 the amount of $67,848 for the position of Chief Civil Rights Officer.

Sec. 6. SECRETARY OF ADMINISTRATION; CIVIL RIGHTS ADVISORY PANEL; CHIEF CIVIL RIGHTS OFFICER; REPORT

(a) On or before September 1, 2018, the Civil Rights Advisory Panel shall be appointed.

(b) On or before November 1, 2018, the Civil Rights Advisory Panel shall, in consultation with the Secretary of Administration and the Department of Human Resources, have developed and posted a job description for the Chief Civil Rights Officer.

(c) On or before January 1, 2019, the Civil Rights Advisory Panel shall appoint the Chief Civil Rights Officer.

(d) On or before April 1, 2019, the Chief Civil Rights Officer shall update the House and Senate Committees on Government Operations regarding how best to complete a comprehensive organizational review to identify systemic racism pursuant to 3 V.S.A. § 5003, and potential private and public sources of funding to achieve the review.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to the mitigation of systemic racism.

And that when so amended the bill ought to pass.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

First: By adding a new section to be numbered Sec. 4a to read as follows:

Sec. 4a. CHIEF CIVIL RIGHTS OFFICER; CIVIL RIGHTS ADVISORY PANEL; FUNDING SOURCE; SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2019, a surcharge of up to 1.65 percent, and in fiscal year 2020 and thereafter, a surcharge of up to 3.3 percent, but no

greater than the cost of both the Civil Rights Advisory Panel and the position of Chief Civil Rights Officer set forth in Sec. 3 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the Civil Rights Advisory Panel and the position of the Chief Civil Rights Officer set forth in Sec. 3 of this act.

(b) Repeal. This section shall be repealed on June 30, 2024.

Second: By striking out Sec. 5 in its entirety and inserting in lieu thereof a new section to be numbered Sec. 5 to read as follows:

Sec. 5. FISCAL YEAR 2019 APPROPRIATION

There is appropriated to the Agency of Administration from the General Fund for fiscal year 2019 the amount of $75,000.00 for the Civil Rights Advisory Panel and the position of Chief Civil Rights Officer.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government, as amended?, Senator Collamore moved to amend the recommendation of amendment of the Committee on Government Operations, as amended as follows:

First: In Sec. 3, in 3 V.S.A. § 5002(b) subdivision (3), by striking out the first sentence in its entirety and inserting in lieu thereof the following:

The term of each member shall be three years, except that of the members first appointed, one each shall serve a term of one year, to be appointed by the Human Rights Commission; two years, to be appointed by the Governor; three years, to be appointed by the Speaker of the House; four years, to be appointed by the Senate Committee on Committees; and five years, to be appointed by the Chief Justice of the Supreme Court, so that the term of one regular member expires in each ensuing year.

Second: By adding a new section to be numbered Sec. 6a. to read as follows:

Sec. 6a. REPEAL

On June 30, 2024:

(1) Sec. 3 of this act (creating the Chief Civil Rights Officer and Civil Rights Advisory Panel in 3 V.S.A. chapter 68) is repealed and the Officer position and Panel shall cease to exist; and

(2) Sec. 4 of this act (authorization for Chief Civil Rights Officer position) is repealed.

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government, as amended?, Senator Brock moved to amend the recommendation of amendment of the Committee on Government Operations as follows:

In Sec. 3, 3 V.S.A., chapter 68, in § 5002(b), by striking out subdivision (2) in its entirety and inserting in lieu thereof the following:

(2) In order to promote vigorous debate and a full exploration of the issues, Panel membership shall reflect a variety of backgrounds, skills, experiences, and perspectives, be racially diverse, and represent geographically diverse areas of the State. All member appointments shall be made in a nondiscriminatory manner.

Which was disagreed to, on a roll call, Yeas 12, Nays 18.

Senator Branagan 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, Brock, Brooks, Cummings, Flory, MacDonald, Mazza, Nitka, Soucy, Starr, Westman.

Those Senators who voted in the negative were: Ashe, Ayer, Balint, Baruth, Bray, Campion, Clarkson, Collamore, Ingram, Kitchel, Lyons, McCormack, Pearson, Pollina, Rodgers, Sears, Sirotkin, White.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bill Passed

S. 192.

Senate bill of the following title was read the third time and passed:

An act relating to transferring the professional regulation of law enforcement officers from the Vermont Criminal Justice Training Council to the Office of Professional Regulation.

Bill Passed

Senate bill entitled:

S. 197. An act relating to liability for toxic substance exposures or releases.

Was read the third time and passed, on a roll call, Yeas 17, Nays 13.

Senator Brock 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, Campion, Clarkson, Cummings, Ingram, Lyons, MacDonald, McCormack, Pearson, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Branagan, Brock, Brooks, Collamore, Flory, Kitchel, Mazza, Nitka, Rodgers, Soucy, Starr, Westman.

Senator Ashe Assumes the Chair

Bill Passed

S. 269.

Senate bill of the following title was read the third time and passed:

An act relating to blockchain, cryptocurrency, and financial technology.

Bill Amended; Bill Passed

S. 273.

Senate bill entitled:

An act relating to miscellaneous law enforcement amendments.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the bill as follows:

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

Sec. 7a. DEPARTMENT OF PUBLIC SAFETY; REPORT ON TOWN CALLS TO THE VERMONT STATE POLICE

(a) The Department of Public Safety shall determine the number of calls from towns the Vermont State Police received in fiscal year 2018 and, in consultation with the Vermont League of Cities and Towns as necessary, determine the number of those calls that came from each town without a police department.

(b) On or before November 15, 2018, the Commissioner of Public Safety shall report to the Senate Committees on Judiciary and on Government Operations and the House Committees on Judiciary and on Government Operations regarding the Department's findings as set forth in subsection (a) of this section.

Which was agreed to.

Thereupon, the bill was read the third time and passed.

President Assumes the Chair

Bill Amended; Third Reading Ordered

S. 53.

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

An act relating to a universal, publicly financed primary care system.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. UNIVERSAL PRIMARY CARE; INTENT

(a) It is the intent of the General Assembly to create and implement a program of universal, publicly financed primary care for all Vermont residents. The program should ensure that Vermonters have access to primary health care without facing financial barriers that might otherwise discourage them from seeking necessary care.

(b) The General Assembly continues to support the principles for health care reform enacted in 2011 Acts and Resolves No. 48, Sec. 1a, and plans to use universal primary care as a platform for a tiered approach to achieving universal health care coverage.

(c) In order to improve Vermonters' access to essential health care services, it is the intent of the General Assembly that universal access to primary care services should be available without cost-sharing.

Sec. 2. UNIVERSAL PRIMARY CARE; FINDINGS

The General Assembly finds that:

(1) Universal access to primary care will advance the health of Vermonters by addressing Vermonters' health care problems before they become more serious and more costly. A large volume of research from throughout the United States concludes that increased access to primary care enhances the overall quality of care and improves patient outcomes.

(2) Universal access to primary care will reduce systemwide health care spending. A study completed in accordance with 2016 Acts and Resolves No. 172, Sec. E.100.10 and submitted on November 23, 2016 found significant cost savings in a review of data from nonuniversal public and private primary care programs in the United States and around the world. One reason for these savings is that better access to primary care reduces the need for emergency room visits and hospital admissions.

(3) The best primary care program is one that provides primary care for all residents without point-of-service patient cost-sharing or insurance deductibles for primary care services. The study completed in accordance with 2016 Acts and Resolves No. 172, Sec. E.100.10 found that primary care cost-sharing in many locales decreased health care utilization and affected individuals with low income disproportionately.

(4) A universal primary care program will build on and support existing health care reform efforts, such as the Blueprint for Health, the all-payer model, and accountable care organizations.

(5) A universal primary care program can be structured in such a way as to create model working conditions for primary care physicians, who are currently overburdened with paperwork and administrative duties, and who are reimbursed at rates disproportionately lower than those of other specialties.

(6) The costs of a universal primary care program for Vermont were estimated in a study ordered by the General Assembly in 2015 Acts and Resolves No. 54, Secs. 16–19 and submitted on December 16, 2015.

Sec. 3. UNIVERSAL PRIMARY CARE; DRAFT OPERATIONAL MODEL; REPORT

(a)(1) The Green Mountain Care Board shall convene, facilitate, and supervise the participation of certified accountable care organizations, Bi-State Primary Care, and other interested stakeholders with applicable subject matter expertise to develop a draft operational model for a universal primary care program.

(2)(A) Using as its basis the primary care service categories and primary care specialty types described in 33 V.S.A. § 1852, the draft operational model shall address at least the following components:

(i) who would be eligible to receive publicly financed universal primary care services under the program;

(ii) who would deliver care under the program and in what settings;

(iii) how funding for the primary care services would move through the health care system; and

(iv) how to ensure maintenance of records demonstrating quality of care without increasing the administrative burden on primary care providers.

(B) In addition to the components described in subdivision (A) of this subdivision (2), the draft operational model may also include recommendations regarding the specific services that should be included in the universal primary care program and a methodology or benchmark for determining reimbursement rates to primary care providers.

(3) To the extent permitted under the All-Payer ACO Agreement with the Centers for Medicare and Medicaid Services and Vermont's Medicaid Section 1115 waiver, up to $300,000.00 in expenses incurred by certified accountable care organizations to develop the draft operational model described in this subsection may be funded through delivery system reform payments.

(4) The Senate Committee on Health and Welfare may meet up to five times following the adjournment of the General Assembly in 2018 to provide guidance and receive updates from the Green Mountain Care Board and participating stakeholders developing the draft operational model for universal primary care pursuant to this subsection.

(5) All relevant State agencies shall provide timely responses to requests for information from the Green Mountain Care Board and participating stakeholders developing the draft operational model for universal primary care pursuant to this subsection.

(6) The Green Mountain Care Board and participating stakeholders shall submit the draft operational model for universal primary care on or before January 1, 2019 to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, the Department of Human Resources, and the Department of Vermont Health Access.

(b) On or before July 1, 2019, the Departments of Human Resources and of Vermont Health Access, as the administrative departments with expertise and experience in the administration and oversight of health benefit programs in this State, shall provide to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance their assessments of the draft operational model plan for universal primary care and their recommendations with respect to implementation of the universal primary care program.

(c) On or before July 1, 2019, the Department of Financial Regulation shall provide to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance its recommendations for appropriate mechanisms for the State to employ to obtain reinsurance and to guarantee the solvency of the universal primary care program.

Sec. 4. UNIVERSAL PRIMARY CARE; LEGAL ANALYSIS; REPORT

The Office of the Attorney General, in consultation with the Green Mountain Care Board and the Department of Financial Regulation, shall conduct a legal analysis of any potential legal issues regarding implementation of a universal primary care program in Vermont, including whether there are likely any legal impediments due to federal preemption under the Employee Retirement Income Security Act (ERISA) and whether the program could be designed in a manner that would permit Vermont residents to continue to be eligible under federal law to use a health savings account established in conjunction with a high-deductible health plan. The Office shall submit its legal analysis on or before January 1, 2019 to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. 5. UNIVERSAL PRIMARY CARE; SCOPE OF SERVICES AND PROVIDERS; REPORT

(a) The Green Mountain Care Board shall convene a working group of interested stakeholders with applicable subject matter expertise to develop:

(1) recommendations for the specific services and providers that should be included in the universal primary care program, including the scope of the mental health and substance use disorder services, and suggested modifications to 18 V.S.A. § 1852(a)(1) and (2);

(2) methods to resolve coordination of benefits issues in the universal primary care program; and

(3) recommendations for strategies to address other issues associated with the development and implementation of the universal primary care program.

(b) On or before October 1, 2018, the Green Mountain Care Board shall provide the working group's recommendations to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance.

Sec. 6. IMPLEMENTATION TIMELINE; CONDITIONS

(a) In addition to the plans, assessments, and analyses required by Secs. 3, 4, and 5 of this act, the General Assembly adopts the following implementation timeline for the universal primary care program:

(1) submission by the Agency of Human Services of a final implementation plan for universal primary care on or before January 1, 2020;

(2) enactment by the General Assembly of the funding mechanism or mechanisms during the 2020 legislative session;

(3) application by the Agency of Human Services to the U.S. Department of Health and Human Services for all necessary waivers and approvals for universal primary care on or before January 1, 2021; and

(4) coverage of publicly financed primary care services for Vermont residents under the universal primary care program beginning on or before January 1, 2022.

(b) Implementation of the universal primary care program shall occur only if the following conditions are met:

(1) the program will not increase the administrative burden on primary care providers;

(2) the program will provide reimbursement amounts for primary care services that are sufficient to attract an adequate number of primary care providers to participate;

(3) the program has appropriate financing in place to support the covered services while ensuring the continued solvency of the program;

(4) the program will include coverage for basic mental health care;

(5) the program will not include coverage for dental care services;

(6) the program will provide clear information to health care providers and consumers regarding which services are covered and which services are not covered under the universal primary care program; and

(7) the program adheres to the principles of 2011 Acts and Resolves No. 48, Sec. 1a.

Sec. 7. 33 V.S.A. chapter 18, subchapter 3 is added to read:

Subchapter 3. Universal Primary Care

§ 1851. DEFINITIONS

As used in this section:

(1) "Health care facility" shall have the same meaning as in 18 V.S.A. § 9402.

(2) "Health care provider" means a person, partnership, or corporation, including a health care facility, that is licensed, certified, or otherwise authorized by law to provide professional health care services in this State to an individual during that individual's medical care, treatment, or confinement.

(3) "Health service" means any treatment or procedure delivered by a health care professional to maintain an individual's physical or mental health or to diagnose or treat an individual's physical or mental condition or intellectual disability, including services ordered by a health care professional, chronic care management, preventive care, wellness services, and medically necessary services to assist in activities of daily living.

(4) "Primary care" means health services provided by health care professionals who are specifically trained for and skilled in first-contact and continuing care for individuals with signs, symptoms, or health concerns, not limited by problem origin, organ system, or diagnosis. Primary care does not include dental services.

(5) "Vermont resident" means an individual domiciled in Vermont as evidenced by an intent to maintain a principal dwelling place in Vermont indefinitely and to return to Vermont if temporarily absent, coupled with an act or acts consistent with that intent. The Secretary of Human Services shall establish specific criteria for demonstrating residency.

§ 1852. UNIVERSAL PRIMARY CARE

(a) It is the intent of the General Assembly that all Vermont residents should receive publicly financed primary care services.

(1) The following service categories should be included in a universal primary care program when provided by a health care provider in one of the primary care specialty types described in subdivision (2) of this subsection:

(A) new or established patient office or other outpatient visit;

(B) initial new or established patient preventive medicine evaluation;

(C) other preventive services;

(D) patient office consultation;

(E) administration of vaccine;

(F) prolonged patient service or office or other outpatient service;

(G) prolonged physician service;

(H) initial or subsequent nursing facility visit;

(I) other nursing facility service;

(J) new or established patient home visit;

(K) new or established patient assisted living visit;

(L) other home or assisted living facility service;

(M) alcohol, smoking, or substance use disorder screening or counseling;

(N) all-inclusive clinic visit at a federally qualified health center or rural health clinic; and

(O) mental health.

(2) Services provided by a licensed health care provider in one of the following primary care specialty types should be included in universal primary care when providing services in one of the primary care service categories described in subdivision (1) of this subsection:

(A) family medicine physician;

(B) registered nurse;

(C) internal medicine physician;

(D) pediatrician;

(E) physician assistant or advanced practice registered nurse;

(F) psychiatrist;

(G) obstetrician/gynecologist;

(H) naturopathic physician;

(I) geriatrician;

(J) registered nurse certified in psychiatric or mental health nursing;

(K) social worker;

(L) psychologist;

(M) clinical mental health counselor; and

(N) alcohol and drug abuse counselor.

(b) For Vermont residents covered under Medicare, Medicare should continue to be the primary payer for primary care services, but the State of Vermont should cover any co-payment or deductible amounts required from a Medicare beneficiary for primary care services.

§ 1853. UNIVERSAL PRIMARY CARE FUND

(a) The Universal Primary Care Fund is established in the State Treasury as a special fund to be the single source to finance primary care for Vermont residents.

(b) Into the Fund shall be deposited:

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

(2) revenue from any taxes established for the purpose of funding universal primary care in Vermont;

(3) if authorized by waivers from federal law, federal funds from Medicaid and from subsidies associated with the Vermont Health Benefit Exchange established in subchapter 1 of this chapter; and

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

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

(d) All monies received by or generated to the Fund shall be used only for payments to health care providers for primary care health services delivered to Vermont residents and to cover any co-payment or deductible amounts required from Medicare beneficiaries for primary care services.

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Lyons, for the Committee on Finance, to which the bill was referred, reported the same without recommendation.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Health and Welfare with the following amendment thereto:

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

Sec. 1. UNIVERSAL COVERAGE FOR PRIMARY CARE; REPORT

(a) The Green Mountain Care Board shall convene interested stakeholders with applicable subject matter expertise to develop recommendations on all of the following:

(1) The specific services, including mental health and substance use disorder services, and providers that constitute primary care. The determinations may be based in relevant part on those services on which a health insurance plan imposes a primary care co-payment, as well as those services on which a plan would impose a primary care co-payment in the absence of a federal requirement for first dollar coverage.

(2) How to achieve universal coverage for primary care services for all Vermonters, whether the services are publicly financed or covered by health insurance or other means.

(3) How to make coverage for primary care services affordable for all Vermonters, such as through income-sensitized, State-funded cost-sharing assistance.

(4) How to resolve coordination of benefits issues for individuals with more than one form of health coverage and for health care services that are not considered primary care.

(b) The Office of the Attorney General and the Department of Financial Regulation shall cooperate with and provide legal assistance to the Green Mountain Care Board in identifying and analyzing any potential legal issues with achieving universal coverage for primary care in Vermont and in developing proposals to address any legal issues identified.

(c) The Green Mountain Care Board shall provide updates to the Health Reform Oversight Committee every two months beginning on July 1, 2018 on the Board's progress in developing recommendations and proposals pursuant to this section and may request clarifications and guidance from the Committee as needed.

(d) On or before January 15, 2019, the Green Mountain Care Board and the stakeholders shall provide the recommendations and proposals developed pursuant this section and any proposals for legislative action to the House Committees on Appropriations and on Health Care and the Senate Committees on Appropriations, on Health and Welfare, and on Finance.

Sec. 2. UNIVERSAL PRIMARY CARE; DRAFT OPERATIONAL PLAN

(a) If the Green Mountain Care Board determines that achieving universal coverage for primary care in Vermont is feasible and that the benefits to Vermont residents outweigh the estimated financial costs, the Board, in consultation with the Agency of Human Services and other interested stakeholders with applicable subject matter expertise, shall prepare a draft operational plan for achieving universal coverage for primary care based on the recommendations and proposals developed pursuant to Sec. 1 of this act. In determining feasibility, benefits, and cost estimates, the Board shall take into account existing studies indicating the potential savings and improvements to population health from providing access to primary care services.

(b) On or before October 15, 2019, the Green Mountain Care Board shall provide the preliminary draft operational plan developed pursuant to this section, if any, to the Health Reform Oversight Committee. On or before January 15, 2020, the Board shall provide the final draft operational plan to the House Committees on Appropriations and on Health Care and the Senate Committees on Appropriations, on Health and Welfare, and on Finance.

Sec. 3. GREEN MOUNTAIN CARE BOARD RESOURCES; LEGISLATIVE INTENT

It is the intent of the General Assembly to provide sufficient resources to the Green Mountain Care Board in fiscal years 2019 and 2020 to enable the Board to carry out the duties set forth in Secs. 1 and 2 of this act.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to recommendations for achieving universal coverage for primary care in Vermont.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment of the Committee on Health and Welfare was amended as recommended by the Committee on Appropriations, on a roll call, Yeas 24, Nays 6.

Senator Brock 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, Brock, Campion, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, Mazza, McCormack, Nitka, Pearson, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman.

Those Senators who voted in the negative were: Branagan, Brooks, Clarkson, MacDonald, Pollina, White.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 85.

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

An act relating to simplifying government for small businesses.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. SIMPLIFYING GOVERNMENT FOR SMALL BUSINESSES

(a) The Secretary of State, in collaboration with the Department of Labor, the Agency of Commerce and Community Development, the Department of Taxes, the Agency of Digital Services, and other stakeholders, shall review and consider the necessary procedural and substantive steps and shall submit to the General Assembly on or before December 15, 2018, a design proposal, including a timeline, for an easily navigable portal for businesses, entrepreneurs, and citizens to access information about starting and operating a business in Vermont, with an emphasis on small business, and to enable registration with all required State entities with a single login without duplicating data entry.

(b) The Secretary shall consider and integrate to the extent feasible features that:

(1) enhance the State's website to simplify registration and offer a clear compilation of State permitting rules;

(2) simplify the mechanism for making payments to the State, by allowing a person to pay amounts he or she owes to the State for taxes, fees, or other charges, to a single recipient within government;

(3) simplify annual filing requirements by allowing a person to make a single filing to a single recipient within government and simply to check a box if nothing substantive has changed from the prior year; and

(4) provide mentoring, assistance with navigating the process, and more direct support to small businesses, whether by designating an existing position or creating a new position within either the Office of the Secretary of State or another government entity, and to offer technical guidance, information, and other support to persons who are forming or operating a small business;

(5) after registration, guide the user through secondary requirements and send follow-up e-mail with links to additional services, frequently asked questions, and a point of contact to discuss questions or explore any assistance needed;

(6) provide guidance and links to State, partner organization, and federal programs and initiatives;

(7) provide links to other Vermont-based businesses of interest; and

(8) create a tool set for ongoing communication and updates, including digital channels such as e-mail, social media, and other communications.

Sec. 2. 11 V.S.A. § 1625a is added to read:

§ 1625a. ONE-STOP WEB PORTAL SURCHARGE

(a) In addition to the fee imposed on a business organization at the time of filing its annual report pursuant to the applicable section of this title or Titles 11A-11C of the Vermont Statutes Annotated, the Secretary of State shall collect a surcharge in the amount of $2.00, which the Secretary shall maintain in a segregated account and use for the purpose of developing and implementing a one-stop navigable portal for businesses, entrepreneurs, and citizens to access information about starting a business in Vermont and to provide ongoing support to businesses interfacing with State government.

(b) The Secretary shall focus the services available pursuant to this section primarily on businesses with fewer than 20 employees.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported the same without recommendation.

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

Bill Amended; Third Reading Ordered

S. 253.

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

An act relating to Vermont's adoption of the Interstate Medical Licensure Compact.

Reported recommending that the bill be amended by striking out Sec. 2, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 2. 3 V.S.A. § 123(j)(1) is amended to read:

(j)(1) The Office may inquire into the criminal background histories of applicants for licensure and for biennial license renewal for the following professions:

(A) licensed nursing assistants, licensed practical nurses, registered nurses, and advanced practice registered nurses licensed under 26 V.S.A. chapter ~~59~~ 28;

(B) private investigators, security guards, and other persons licensed under 26 V.S.A. chapter 59; ~~and~~

(C) real estate appraisers and other persons or business entities licensed under 26 V.S.A. chapter 69; and

(D) osteopathic physicians licensed under 26 V.S.A. chapter 33.

Sec. 3. 26 V.S.A. § 1404 is added to read:

§ 1404. APPLICANT FOR EXPEDITED LICENSURE; FINGERPRINT DATA

(a) An applicant for expedited licensure pursuant to section 1420e of this chapter shall submit a full set of fingerprints to the Board for the purpose of obtaining State and federal criminal background checks pursuant to subdivision 1420e(b)(2) of this chapter. The Department of Public Safety may exchange fingerprint data with the Federal Bureau of Investigation.

(b) Communications between the Board and the Interstate Medical Licensure Compact Commission regarding verification of physician eligibility

for licensure under the Interstate Medical Licensure Compact shall not include any information received from the Federal Bureau of Investigation related to State and federal criminal background checks performed for the purposes of subdivision 1420e(b)(2) of this chapter.

Sec. 4. EFFECTIVE DATE

This act shall take effect on January 1, 2020.

And that when so amended the bill ought to pass.

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

Senator McCormack, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Health and Welfare with the following amendment thereto:

By adding two new sections to be Secs. 3a and 3b to read as follows:

Sec. 3a. 26 V.S.A. § 1401a(d) is added to read:

(d) If at any time an assessment is imposed on the State for its membership in the Interstate Medical Licensure Compact Commission pursuant to section 1420m of this title, the Board and the Board of Osteopathic Physicians and Surgeons shall assume responsibility for paying the assessment from their respective special funds in proportional amounts based on their numbers of licensees for professions eligible for licensure through the Compact.

Sec. 3b. 26 V.S.A. § 1794 is amended to read:

§ 1794. FEES

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

* * *

(b) If at any time an assessment is imposed on the State for its membership in the Interstate Medical Licensure Compact Commission pursuant to section 1420m of this title, the Board and the Board of Medical Practice shall assume responsibility for paying the assessment from their respective special funds in proportional amounts based on their numbers of licensees for professions eligible for licensure through the Compact.

And that when so amended the bill ought to pass.

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

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 260.

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

An act relating to funding the cleanup of State waters.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Clean Water Planning, Funding, and Implementation Committee * * *

Sec. 1. FINDINGS

The General Assembly finds that for the purposes of this section and Sec. 2 of this act:

(1) Within Vermont there are 7,100 miles of rivers and streams and 812 lakes and ponds of at least five acres in size.

(2) Current assessment of State waters or water segments indicates that there are:

(A) 101 waters or water segments that do not meet the State's water quality standards for at least one criterion and require a plan for cleanup;

(B) 114 waters or water segments that are impaired due to a pollutant and that do have a current cleanup plan, but which may not be meeting water quality standards;

(C) 114 waters or water segments that are stressed, meaning that there are one or more factors or influences that prohibit the water from maintaining a higher quality; and

(D) at least 56 waters that are altered due to aquatic nuisance species, meaning that one or more of the designated uses of the water are prohibited due to the presence of aquatic nuisance species.

(3) In 2015, the General Assembly enacted 2015 Acts and Resolves No. 64, An Act Relating to Improving the Quality of State Waters (Act 64), for the purpose, among others, of providing mechanisms, staffing, and financing necessary for the State to achieve and maintain compliance with the Vermont Water Quality Standards for all State waters.

(4) Act 64 directed the State Treasurer to recommend to the General Assembly a long-term mechanism for financing water quality improvement in the State, including proposed revenue sources for water quality improvement programs.

(5) The State Treasurer submitted a Clean Water Report in January 2017 that included:

(A) an estimate that over 20 years it would cost $2.3 billion to achieve compliance with water quality requirements;

(B) a projection that revenue available for water quality over the 20-year period would be approximately $1.06 billion, leaving a 20-year total funding gap of $1.3 billion;

(C) an estimate of annual compliance costs of $115.6 million, which, after accounting for projected revenue, would leave a funding gap of $48.5 million to pay for the costs of compliance with the first tier of federal and State water quality requirements; and

(D) a financing plan to provide more than $25 million in additional State funds for water quality programs.

(6) After determining that a method to achieve equitable and effective long-term funding methods to support clean water efforts in Vermont was necessary, the General Assembly established in 2017 Acts and Resolves No. 73, Sec. 26 the Working Group on Water Quality Funding to develop draft legislation to accomplish this purpose, but the Working Group on Water Quality Funding failed to comply with its statutory charge.

(7) The U.S. Environmental Protection Agency (EPA) testified to the General Assembly that the State of Vermont was overdue in establishing a long-term revenue source to support water quality improvement that the EPA required of Vermont in the accountability framework of the Lake Champlain Total Maximum Daily Load plan.

(8) To ensure that the State has sufficient funds to clean and protect the State's waters so that they will continue to provide their integral and inherent environmental and economic benefits, the State should commit to achieving what the Act 73 Working Group on Water Quality failed to accomplish by requiring the Clean Water Board and a legislative study committee to recommend separately to the General Assembly draft legislation to establish equitable and effective long-term funding methods to support clean water efforts in Vermont.

Sec. 2. LEGISLATIVE CLEAN WATER PLANNING, FUNDING, AND IMPLEMENTATION COMMITTEE

(a) Creation. There is created the Clean Water Planning, Funding, and Implementation Committee to recommend to the General Assembly draft legislation to establish an equitable and effective long-term funding method for:

(1) financing the necessary water quality programs and projects that will remediate, improve, and protect the quality of the waters of the State;

(2) coordinating water quality financing in the State;

(3) planning for the water quality financing needs of the State; and

(4) ensuring accountability of the State's efforts to clean up impaired waters, maintain or achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(b) Membership. The Clean Water Planning, Funding, and Implementation Committee shall be composed of the following six members:

(1) the Chair of the Senate Committee on Appropriations or designee;

(2) the Chair of the House Committee on Appropriations or designee;

(3) the Chair of the Senate Committee on Natural Resources and Energy or designee;

(4) the Chair of the House Committee on Natural Resources, Fish, and Wildlife or designee;

(5) the Chair of the Senate Committee on Finance or designee; and

(6) the Chair of the House Committee on Ways and Means or designee.

(c) Powers and duties. The Clean Water Planning, Funding, and Implementation Committee shall study the following issues:

(1) Whether and how the State should establish an independent authority to coordinate, plan, and finance water quality programs and projects across State government.

(2) How to develop a financing plan for water quality programs and projects in the State that will generate revenue sufficient to fund the following State obligations:

(A) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(B) the requirements of 2015 Acts and Resolves No. 64; and

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(3)(A) How the State will raise the revenue or reduce existing expenditures to enable an equivalent level of support necessary to fund fully a financing plan for water quality that:

(i) meets the State's obligations;

(ii) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(iii) includes how a per parcel fee or other fee shall be assessed to property owners in a manner that corresponds to the effect of the parcel on water quality.

(B) In determining how a fee will be assessed to a property, the Committee shall consider whether the fee should account for:

(i) the size of the parcel;

(ii) the location of the parcel;

(iii) whether the parcel or use of the parcel contributes to an impairment of a water of the State or otherwise adversely affects water quality;

(iv) the surface coverage of the parcel, including the amount of impervious surface on the parcel, the amount of cropland or forestland on the parcel, or the number of residential, commercial, or industrial structures on the parcel;

(v) stormwater treatment practices or other water quality measures implemented on the parcel;

(vi) whether to provide credits or reduced charges for payment of a municipal stormwater utility fee or other similar water quality charge; and

(vii) whether the enforcement history or continuing violation of a parcel owner shall be a basis for an adjustment to a fee.

(4) How the State would most efficiently assess and collect a fee on property owners contributing to water quality issues in the State.

(5) Whether the State should adopt by rule a system of priorities for issuance of water quality grants or other financing from the Clean Water Fund and other State-administered financing programs, including whether priorities should be adjusted based on:

(A) the condition of the waters affected by the project, activity, or program;

(B) whether a project will address water quality issues identified in a basin plan;

(C) whether the project will abate or control pollution that is causing or may cause a threat to public health;

(D) whether the project will address an emergency situation affecting or constituting a threat to the environment or the public health, safety, or welfare;

(E) whether the project will address an agricultural water quality issue for which other sources of funds are unavailable;

(F) the fiscal integrity and sustainability of the project, including whether the project is a cost-effective alternative when compared to other alternatives;

(G) if the project removes a pollutant by which the water or waters affected by the project are impaired, the cost-effectiveness of the project at removing that pollutant; and

(H) income or financial resources available to an applicant to conduct the proposed project.

(6) How the State should maintain accountability of the efforts of the State to clean up impaired waters, maintain and achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(d) Assistance. The Clean Water Planning, Funding, and Implementation Committee shall have the administrative, technical, legal, and fiscal assistance of the Office of Legislative Council and the Joint Fiscal Office. The Committee shall also be entitled to seek financial, technical, and scientific input or services from the Office of the State Treasurer, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, the Vermont Center for Geographic Information Services, the Agency of Commerce and Community Development, and the Department of Taxes.

(e) Report. On or before November 15, 2018, the Clean Water Planning, Funding, and Implementation Committee shall submit to the General Assembly draft legislation that addresses the issues set forth under subsection (c) of this section.

(f) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Clean Water Planning, Funding, and Implementation Committee to occur on or before August 1, 2018.

(2) The Committee shall select a chair or co-chairs from among its members at its first meeting.

(3) A majority of the membership of the Committee shall constitute a quorum.

(4) The Clean Water Planning, Funding, and Implementation Committee shall cease to exist on February 1, 2019.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Clean Water Planning, Funding, and Implementation Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

* * * Clean Water Board * * *

Sec. 3. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER ~~FUND~~ BOARD

(a) Creation.

(1) There is created the Clean Water ~~Fund~~ Board ~~which~~ that shall:

(A) be responsible and accountable for advising the General Assembly regarding planning, coordinating, and financing of the remediation, improvement, and protection of the quality of State waters;

(B) recommend to the ~~Secretary of Administration expenditures~~ General Assembly:

(i) appropriations from the Clean Water Fund, including appropriate block grant amounts from the Agency of Natural Resources' River Basin Block Grant Program; and

(ii) clean water projects to be funded by capital appropriations.

(2) 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 Secretary of Administration or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Secretary of Commerce and Community Development or designee;

(5) the Secretary of Transportation or designee; and

(6) four members of the public, who are not legislators, with expertise in one or more of the following subject matters: public management, civil engineering, agriculture, ecology, wetlands, stormwater system management, forestry, transportation, law, banking, finance, and investment, to be appointed as follows:

(A) the Speaker of the House shall appoint two members of the public; and

(B) the Committee on Committees shall appoint two members of the public.

(c) Officers; committees; rules.

(1) The ~~Clean Water Fund Board shall annually elect a chair from its members~~ Secretary of Administration shall serve as the Chair of the Board. 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.

(d) Powers and duties of the Clean Water ~~Fund~~ Board. The Clean Water ~~Fund~~ Board shall have the following powers and authority:

(1) Annually, on or before December 15, the Clean Water Board shall submit to the General Assembly a plan for the appropriation of all State water quality revenues in a manner that:

(A) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(B) adequately funds the following State obligations in the subsequent fiscal years:

(i) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(ii) the requirements of 2015 Acts and Resolves No. 64; and

(iii) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(2) The Clean Water ~~Fund~~ Board shall recommend to the ~~Secretary of Administration~~ General Assembly the appropriate allocation of funds from the Clean Water Fund for the purposes of ~~developing the State budget required to be submitted to the General Assembly under 32 V.S.A. § 306~~ financing the Board's recommended annual financing plan. The recommendations shall include a recommended appropriation to the Agency of Natural Resources' River Basin Block Grant Program under section 1389c of this title. All recommendations from the Board should be intended to achieve the greatest water quality gain for the investment.

~~(2)~~(3) The Clean Water ~~Fund~~ Board may pursue and accept grants, gifts, donations, or other funding from any public or private source and may administer such grants, gifts, donations, or funding consistent with the terms of the grant, gift, or donation.

~~(3)~~(4) The Clean Water ~~Fund~~ Board shall:

(A) establish a process by which watershed organizations, State agencies, and other interested parties may propose water quality projects or programs for financing from the Clean Water Fund;

(B) develop an annual revenue estimate and proposed budget for the Clean Water Fund;

(C) establish measures for determining progress and effectiveness of expenditures for clean water restoration efforts;

(D) issue the annual Clean Water Investment Report required under section 1389a of this title; and

(E) solicit, consult with, and accept public comment from organizations interested in improving water quality in Vermont regarding recommendations under this subsection (d) for the allocation of funds from the Clean Water Fund.

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize:

(A) funding to programs and projects that address sources of water pollution in waters listed as impaired on the list of waters established by 33 U.S.C. § 1313(d);

(B) funding to projects that address sources of water pollution identified as a significant contributor of water quality pollution, including financial assistance to grant recipients at the initiation of a funded project;

(C) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;

(D) assistance required for State and municipal compliance with stormwater requirements for highways and roads;

(E) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;

(F) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy;

(G) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices; and

(H) funding to municipalities for the establishment and operation of stormwater utilities.

(2) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Clean Water ~~Fund~~ Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements, and to municipalities for the establishment and operation of stormwater utilities.

(3) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall, after satisfaction of the priorities established under subdivision (1) of this subsection (e), attempt to provide for equitable apportionment of awards from the Fund to all regions of the State and for control of all sources of point and non-point sources of pollution in the State.

(f) Assistance. The Clean Water ~~Fund~~ Board shall have the administrative, technical, and legal assistance of the Agency of Administration, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, and the Agency of Commerce and Community Development for those issues or services within the jurisdiction of the respective agency. The cost of the services provided by agency staff shall be paid from the budget of the agency providing the staff services.

(g) Terms; appointed members. Members who are appointed to the Clean Water Board shall be appointed for terms of four 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. 4. CLEAN WATER BOARD RECOMMENDED DRAFT LEGISLATION; WATER QUALITY FUNDING METHOD

(a) On or before November 15, 2018, the Clean Water Board shall submit to the General Assembly draft legislation to establish an equitable and effective long-term funding method for:

(1) financing the necessary water quality programs and projects that will remediate, improve, and protect the quality of the waters of the State;

(2) coordinating water quality financing in the State;

(3) planning for the water quality financing needs of the State; and

(4) ensuring accountability of the State's efforts to clean up impaired waters, maintain or achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(b) In developing the draft legislation required under subsection (a) of this section, the Clean Water Board shall study the following issues:

(1) Whether and how the State should establish an independent authority to coordinate, plan, and finance water quality programs and projects across State government.

(2) How to develop a financing plan for water quality programs and projects in the State that will generate revenue sufficient to fund the following State obligations:

(A) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(B) the requirements of 2015 Acts and Resolves No. 64; and

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(3)(A) How the State will raise the revenue or reduce existing State expenditures to enable an equivalent level of support necessary to fund fully a financing plan for water quality that:

(i) meets the State's obligations;

(ii) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(iii) includes how a per parcel fee or other fee shall be assessed to property owners in a manner that corresponds to the effect of the parcel on water quality.

(B) In determining how a fee will be assessed to a property, the Committee shall consider whether the fee should account for:

(i) the size of the parcel;

(ii) the location of the parcel;

(iii) whether the parcel or use of the parcel contributes to an impairment of a water of the State or otherwise adversely affects water quality;

(iv) the surface coverage of the parcel, including the amount of impervious surface on the parcel, the amount of cropland or forestland on the parcel, or the number of residential, commercial, or industrial structures on the parcel;

(v) stormwater treatment practices or other water quality measures implemented on the parcel;

(vi) whether to provide credits or reduced charges for payment of a municipal stormwater utility fee or other similar water quality charge; and

(vii) whether the enforcement history or continuing violation of a parcel owner shall be a basis for an adjustment to a fee.

(4) How the State would most efficiently assess and collect a fee on property owners contributing to water quality issues in the State.

(5) Whether the State should adopt by rule a system of priorities for issuance of water quality grants or other financing from the Clean Water Fund and other State-administered financing programs, including whether priorities should be adjusted based on:

(A) the condition of the waters affected by the project, activity, or program;

(B) whether a project will address water quality issues identified in a basin plan;

(C) whether the project will abate or control pollution that is causing or may cause a threat to public health;

(D) whether the project will address an emergency situation affecting or constituting a threat to the environment or the public health, safety, or welfare;

(E) whether the project will address an agricultural water quality issue for which other sources of funds are unavailable;

(F) the fiscal integrity and sustainability of the project, including whether the project is a cost-effective alternative when compared to other alternatives;

(G) if the project removes a pollutant by which the water or waters affected by the project are impaired, the cost-effectiveness of the project at removing that pollutant; and

(H) income or financial resources available to an applicant to conduct the proposed project.

(6) How the State should maintain accountability of the efforts of the State to clean up impaired waters, maintain and achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

* * * ANR River Basin Block Grant * * *

Sec. 5. 10 V.S.A. § 1389c is added to read:

§ 1389c. RIVER BASIN BLOCK GRANT PROGRAM

(a) Establishment. There is established within the Agency of Natural Resources the River Basin Block Grant Program to fund annually in each of the river basins of the State water quality programs and projects that restore and protect the waters of the State.

(b) Eligible entities; programs and projects.

(1) River basin cooperative councils, regional planning commissions, natural resources conservation districts, nonprofit associations, citizen groups, and municipalities are eligible to apply for a river basin block grant.

(2) One or more of following shall be eligible for funding under a block grant issued under this section:

(A) a water quality program or project identified in the tactical basin plan for a river basin;

(B) a water quality program or project to fund compliance with one or more of the following:

(i) a federally required or State-required cleanup plan for individual waters or water segments, such as total maximum daily load plans;

(ii) the requirements of 2015 Acts and Resolves No. 64;

(iii) the requirements of 6 V.S.A. chapter 215; and

(iv) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(c) Priorities. The Secretary, after consultation with the Secretary of Agriculture, Food and Markets, shall grant river basin block grants under this section to eligible parties for eligible projects on the basis of need within a river basin as determined according to a system of priorities adopted by procedure by the Secretary. In developing the system of priorities, the Secretary shall give additional weight to the following factors:

(1) whether the applicant is a river basin cooperative council;

(2) the need within a river basin for funding or administrative capacity to implement water quality programs or projects;

(3) whether a proposed program or project is identified within a tactical basin plan;

(4) the estimated nutrient pollutant reduction potential of the proposed program or project;

(5) the cost effectiveness of the program or project at removing the pollutant when compared to other alternatives; and

(6) the readiness of the program or project for timely implementation.

(d) Administrative costs. Each river basin block grant shall include funds eligible for use by the recipient for administrative costs or costs of providing technical services.

(e) Application. The Secretary of Natural Resources may establish requirements for application for a river basin block grant, including the manner of application and timing of applications.

(f) Performance measures. To ensure accountability of block grant recipients, each river basin block grant shall include performance measures.

(g) Report. As part of the Clean Water Investment report required under section 1389a of this title, the Clean Water Board shall report on the implementation of the River Basin Block Grant Program, including:

(1) the name and location of each river basin cooperative council sponsored project;

(2) the entity or organization implementing each river basin cooperative council sponsored project;

(3) the estimated reduction in the pollutant targeted for reduction or remediation by each river basin cooperative council sponsored project;

(4) the cost of each river basin cooperative council sponsored project; and

(5) administrative costs for each river basin cooperative council sponsored project as compared to all other costs of the project.

Sec. 6. 10 V.S.A. § 1389d is added to read:

§ 1389d. RIVER BASIN COOPERATIVE COUNCILS

(a) Formation. The State encourages the formation of River Basin Cooperative Councils within each river basin of the State to assist in the coordination, planning, implementation, and administration of water quality programs and projects within a river basin.

(b) Composition. A River Basin Cooperative Council shall comprise at a minimum the following members:

(1) the Agency of Natural Resources' tactical basin planner for the river basin;

(2) a representative of the regional planning commission or commissions in which the basin is located;

(3) a representative of the natural resource conservation district or districts in which the basin is located; and

(4) a representative of at least one community organization the primary purpose of which is water quality improvement in the river basin in which the organization is located.

(c) Authority; eligibility. A River Basin Cooperative Council shall have the authority to:

(1) apply for a river basin block grant under section 1389c of this title;

(2) allocate funds received in a river basin block grant to other entities, projects, or programs within the river basin, provided that:

(A) the recipient entity, project, or program is an eligible entity under the River Basin Block Grant Program;

(B) the funds are allocated in a manner consistent with the Agency of Natural Resources' system of priorities established under section 1389c of this title; and

(C) the River Basin Cooperative Council requires performance measures and maintains accountability for any funds allocated to an entity, project, or program; and

(3) implement or administer eligible water quality programs or projects funded by a river basin block grant.

(d) Limitation. Only one River Basin Cooperative Council shall be formed for each river basin of the State. The Secretary of Natural Resources shall approve a River Basin Cooperative Council for each river basin.

(e) Report. Annually, each River Basin Cooperative Council shall report to the Secretary of Natural Resources on the implementation of any river basin block grant it receives. The report shall include the following:

(1) the name and location of each river basin cooperative council sponsored project;

(2) the entity or organization implementing each river basin cooperative council sponsored project;

(3) the estimated reduction in the pollutant targeted for reduction or remediation by each river basin cooperative council sponsored project;

(4) the cost of each river basin cooperative council sponsored project; and

(5) administrative costs for each river basin cooperative council sponsored project as compared to all other costs of the project.

* * * Citizen Right of Action * * *

Sec. 7. 10 V.S.A. chapter 205 is added to read:

CHAPTER 205. CITIZEN RIGHT OF ACTION

§ 8055. CITIZEN RIGHT OF ACTION

(a) Suit authorized. Except as provided in subsection (c) of this section, a person may commence a civil action for equitable or declaratory relief on the person's own behalf against one or more of the following persons:

(1) any person who is alleged to be in violation of any statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215;

(2) any person subject to regulation under this chapter who is alleged to be in violation of any statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under chapter 47 of this title;

(3) the Secretary of Agriculture, Food and Markets when there is an alleged failure of the Agency of Agriculture, Food and Markets to perform any act or duty under 6 V.S.A. chapter 215 that is not discretionary for the Secretary of Agriculture, Food and Markets or the Agency of Agriculture, Food and Markets; and

(4) the Secretary of Natural Resources when there is an alleged failure of the Agency of Natural Resources to perform any act or duty under chapter 47 of this title that is not discretionary for the Secretary of Natural Resources or the Agency of Natural Resources.

(b) Prerequisite to commencement of action. A person shall not commence an action under subsection (a) of this section prior to 60 days after the plaintiff has given notice of the violation to:

(1) the Secretary of Agriculture, Food and Markets for an action initiated under subdivision (a)(1) or (3) of this section;

(2) the Secretary of Natural Resources for an action initiated under subdivision (a)(2) or (4) of this section; and

(3) any person who is alleged to be in violation of a statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215 or under chapter 47 of this title.

(c) Action prohibited. A person shall not commence an action under subsection (a) of this section under either of the following circumstances:

(1) if the Secretary of Agriculture, Food and Markets, the Secretary of Natural Resources, or the Attorney General has commenced and is diligently prosecuting a civil or criminal action to require compliance with a statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215 or under chapter 47 of this title; or

(2) if the alleged violator is diligently proceeding with complying with an assurance of discontinuance, corrective action, cease and desist order, or emergency administrative order issued under 6 V.S.A. chapter 215 or under chapter 201 of this title.

(d) Venue. A person shall bring an action under subsection (a) of this section in the Environmental Division of the Superior Court.

(e) Joinder; necessary parties.

(1) If a person brings an action in the Environmental Division of the Superior Court under subdivision (a)(1) of this section, the Secretary of Agriculture, Food and Markets shall be deemed a necessary party to the action and shall be joined as a party under Rule 19 of the Vermont Rules of Civil Procedure.

(2) If a person brings an action in the Environmental Division of the Superior Court under subdivision (a)(2) of this section, the Secretary of Natural Resources shall be deemed a necessary party to the action and shall be joined as a party under Rule 19 of the Vermont Rules of Civil Procedure.

(f) Intervention. In any action under subsection (a) of this section:

(1) Any person may intervene as a matter of right when the person seeking intervention claims an interest relating to the subject of the action and he or she is so situated that the disposition of the action may, as a practical matter, impair or impede his or her ability to protect that interest, unless the Secretary of Agriculture, Food and Markets or the Secretary of Natural Resources shows that the applicant's interest is adequately represented by existing parties.

(2) The Secretary of Agriculture, Food and Markets, the Secretary of Natural Resources, or the Attorney General may intervene as a matter of right as a party to represent its interests.

(g) Notice of action. A person bringing an action under subsection (a) of this section shall provide the notice required under subsection (b) of this section in writing. The notice shall be served on the alleged violator in person or by certified mail, return receipt requested. The notice to the Secretary shall be served by certified mail, return receipt requested. The notice shall include a brief description of the alleged violation and identification of the statute, permit, certification, rule, permit condition, prohibition, or order that is the subject of the violation.

(h) Attorney's fees; costs. The Environmental Division of the Superior Court may award costs, including reasonable attorney's fees and fees for expert witnesses, to a person bringing an action under subsection (a) of this section when the court determines that the award is appropriate.

(i) Rights preserved. Nothing in this section shall be construed to impair or diminish any common law or statutory right or remedy that may be available to any person. Rights and remedies created by this section shall be in addition

to any other right or remedy, including the authority of the State to bring an enforcement action separate from an action brought under this section. No determination made by a court in an action maintained under this section, to which the State has not been a party, shall be binding upon the State in any enforcement action.

* * * Required Agricultural Practices; Healthy Soils * * *

Sec. 8. 6 V.S.A. § 4810a is amended to read:

§ 4810a. REQUIRED AGRICULTURAL PRACTICES; REVISION

(a) ~~On or before September 15, 2016, the~~ The Secretary of Agriculture, Food and Markets shall ~~file under 3 V.S.A. § 841 a final proposal of a rule amending~~ amend by rule the required agricultural practices in order to improve water quality in the State, assure practices on all farms eliminate adverse impacts to water quality, and implement the small farm certification program required by section 4871 of this title. At a minimum, the ~~amendments to the~~ required agricultural practices shall:

* * *

(4) Establish standards for nutrient management on farms, including:

(A) required nutrient management planning on all farms that manage agricultural wastes;

(B) ~~recommended~~ required practices incorporated within a nutrient management plan for improving and maintaining soil quality and healthy soils in order to increase the capacity of soil to retain water, improve flood resiliency, reduce sedimentation, reduce reliance on fertilizers and pesticides, and prevent agricultural stormwater runoff, including requirements for tillage; and

(C) methods for complying with individual load allocations, if any, for a farm if required under a total maximum daily load plan or other remediation plan for an impaired water.

* * *

Sec. 9. IMPLEMENTATION

On or before July 1, 2019, the Secretary of Agriculture, Food and Markets shall revise the Required Agricultural Practices to include the practices for improving and maintaining soil quality and healthy soils required under 6 V.S.A. § 4810a(a)(4).

* * * Joint Lake Carmi Pilot Project * * *

Sec. 10. AGENCY OF NATURAL RESOURCES AND AGENCY OF AGRICULTURE, FOOD AND MARKETS JOINT LAKE CARMI PILOT PROGRAM FOR PHOSPHORUS MANAGEMENT

(a) Definitions. As used in this section:

(1) "Commercial feed" shall have the same meaning as in 6 V.S.A. § 323.

(2) "Custom formula feed" shall have the same meaning as in 6 V.S.A. § 323.

(3) "Farm" means a parcel or parcels of land used for farming.

(4) "Farming" shall have the same meaning as in 10 V.S.A. § 6001.

(5) "Fertilizer" shall have the same meaning as in 6 V.S.A. § 363.

(6) "Manure" shall have the same meaning as in 6 V.S.A. § 4802.

(7) "Total nutrient sources" mean the sum of all commercial feed, custom formula feed, fertilizer, or manure used or produced by a farm.

(b) Farm-specific nutrient management.

(1) On or before July 1, 2018, the Secretary of Natural Resources, in consultation with the Secretary of Agriculture, Food and Markets, shall develop individual water quality remediation plans for each farm within the Lake Carmi watershed. The water quality remediation plan shall:

(A) establish the annual tonnage of total nutrient sources that a farm may import, produce on, or apply to land in a year without increasing the phosphorus load in the waters to which the non-point source pollution from the farm runs off;

(B) specify measures or management practices that a farm may be required to implement in order to prevent an increase of phosphorus loads in the waters to which the non-point source pollution from the farm runs off; and

(C) require a farm to cover crop fields in the winter.

(2) Beginning on August 1, 2018, the owner or operator of a farm within the Lake Carmi watershed shall document the following on a monthly basis:

(A) the amount of total nutrient sources imported to, produced on, or applied to land in the prior 30 days on the farm; and

(B) implementation or administration of measures or management practices that a farm may be required to implement in order to prevent an increase of phosphorus loads.

(3) The owner or operator of a farm within the Lake Carmi watershed shall submit to the Secretary of Natural Resources the monthly documentation required under subdivision (2) of this subsection.

(c) Monitoring. The Secretary of Natural Resources shall conduct monitoring of the waters to which the non-point source pollution from each farm within the Lake Carmi watershed runs off.

(d) Best management practices. If monitoring conducted under subsection (c) of this section indicates increasing phosphorus loads in the waters due to non-point source pollution from a farm within the Lake Carmi watershed, the Secretary of Agriculture, Food and Markets shall require the farm to implement best management practices under 6 V.S.A. § 4810 to reduce runoff from the farm.

(e) Enforcement; appeal.

(1) The Secretary of Natural Resources may take action under 10 V.S.A. chapter 201 to enforce the requirements of this section.

(2) A person may appeal an act or decision of the Secretary under this section, excluding enforcement actions under 10 V.S.A. chapter 201 or 220.

(f) Term. A farm subject to the requirements of this section shall implement an individual water quality remediation plan until January 1, 2021, provided that the Secretary of Natural Resources may, by order, require a farm to continue implementation of the plan.

* * * ANR Report on Future Farming Practices * * *

Sec. 11. AGENCY OF AGRICULTURE, FOOD AND MARKETS REPORT ON FARMING PRACTICES IN VERMONT

On or before January 15, 2019, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Natural Resources and Energy and on Agriculture and to the House Committees on Natural Resources, Fish, and Wildlife and on Agriculture and Forestry a report regarding how to revise farming practice in Vermont in a manner that mitigates existing environmental impacts while maintaining economic viability. The report shall include recommendations for:

(1) building healthy soils;

(2) reducing agriculturally based pollution in areas of high pollution, stressed, or impaired waters;

(3) establishing a carrying capacity or maximum number of livestock that the land used for nutrient application on a farm can support without contribution of nutrients to a water;

(4) how to provide financial and technical support to facilitate the transition by farms to less-polluting practices, including:

(A) cover cropping;

(B) reduced tillage or no tillage;

(C) transition out of dairy farming through a whole-herd buyout program;

(D) how to accelerate the implementation of best management practices (BMPs);

(E) how to evaluate the effectiveness of using riparian buffers in excess of 25 feet;

(F) how to accelerate the use of direct manure injection;

(G) how to use crop rotations to build soil health, including limits on the planting of continuous corn; and

(H) how to eliminate, or at least reduce, the use of herbicides in the termination of cover crops.

* * * Effective Date * * *

Sec. 12. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Collamore, for the Committee on Agriculture, to which the bill was referred, reported that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Clean Water Planning, Funding, and Implementation Committee * * *

Sec. 1. LEGISLATIVE CLEAN WATER PLANNING, FUNDING, AND IMPLEMENTATION COMMITTEE

(a) Creation. There is created the Clean Water Planning, Funding, and Implementation Committee to recommend to the General Assembly draft legislation to establish an equitable and effective long-term funding method for:

(1) financing the necessary water quality programs and projects that will remediate, improve, and protect the quality of the waters of the State;

(2) coordinating water quality financing in the State;

(3) planning for the water quality financing needs of the State; and

(4) ensuring accountability of the State's efforts to clean up impaired waters, maintain or achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(b) Membership. The Clean Water Planning, Funding, and Implementation Committee shall be composed of the following eight members:

(1) the Chair of the Senate Committee on Appropriations or designee;

(2) the Chair of the House Committee on Appropriations or designee;

(3) the Chair of the Senate Committee on Natural Resources and Energy or designee;

(4) the Chair of the House Committee on Natural Resources, Fish, and Wildlife or designee;

(5) the Chair of the Senate Committee on Finance or designee;

(6) the Chair of the House Committee on Ways and Means or designee;

(7) the Chair of the Senate Committee on Agriculture or designee; and

(8) the Chair of the House Committee on Agriculture and Forestry or designee.

(c) Powers and duties.

(1) The Clean Water Planning, Funding, and Implementation Committee shall study how to develop a financing plan for water quality programs and projects in the State that will generate revenue sufficient to fund the following State obligations:

(A) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(B) the requirements of 2015 Acts and Resolves No. 64; and

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(2) In developing a financing plan for water quality programs and projects in the State under this subsection, the Committee shall:

(A) evaluate implementation of a per parcel fee or other revenue source that can be assessed equitably on all property in the State, based on the impact or effect of the property on water quality;

(B) base its revenue recommendation on maintaining a water quality budget that is not less than the funding provided in fiscal year 2019 and that is

capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(C) review whether the State Treasurer's estimate of State funding needs in the Clean Water Report in January 2017 should be revised or updated after fiscal 2024 due to economic conditions or due to the need to reflect the most effective measures to improve water quality.

(d) Assistance. The Clean Water Planning, Funding, and Implementation Committee shall have the administrative, technical, legal, and fiscal assistance of the Office of Legislative Council and the Joint Fiscal Office. The Committee shall also be entitled to seek financial, technical, and scientific input or services from the Office of the State Treasurer, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, the Vermont Center for Geographic Information Services, the Agency of Commerce and Community Development, and the Department of Taxes.

(e) Report. On or before January 15, 2019, the Clean Water Planning, Funding, and Implementation Committee shall submit to the General Assembly draft legislation that addresses the issues set forth under subsection (c) of this section. The Clean Water Planning, Funding, and Implementation Committee shall cease to exist on February 1, 2019.

(f) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Clean Water Planning, Funding, and Implementation Committee to occur on or before August 1, 2018.

(2) The Committee shall select a chair or co-chairs from among its members at its first meeting.

(3) A majority of the membership of the Committee shall constitute a quorum.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Clean Water Planning, Funding, and Implementation Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

* * * Clean Water Fund Board * * *

Sec. 2. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER FUND BOARD

(a) Creation.

(1) There is created the Clean Water Fund Board ~~which~~ that shall recommend to the Secretary of Administration ~~expenditures~~:

(A) appropriations from the Clean Water Fund; and

(B) clean water projects to be funded by capital appropriations.

(2) 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 Secretary of Administration or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Secretary of Commerce and Community Development or designee;

(5) the Secretary of Transportation or designee; and

(6) two members of the public who are not legislators, one of whom shall represent a municipality subject to the municipal separate storm sewer system (MS4) permit and one of whom shall represent a municipality that is not subject to the MS4 permit, appointed as follows:

(A) the Speaker of the House shall appoint the member from an MS4 municipality; and

(B) the Committee on Committees shall appoint the member who is not from an MS4 municipality.

(c) Officers; committees; rules.

(1) The ~~Clean Water Fund Board shall annually elect a chair from its members~~ Secretary of Administration shall serve as the Chair of the Board. 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.

(d) Powers and duties of the Clean Water Fund Board. The Clean Water Fund Board shall have the following powers and authority:

(1) The Clean Water Fund Board shall recommend to the Secretary of Administration the appropriate allocation of funds from the Clean Water Fund for the purposes of developing the State budget required to be submitted to the General Assembly under 32 V.S.A. § 306. All recommendations from the Board should be intended to achieve the greatest water quality gain for the investment. The recommendations of the Clean Water Fund Board shall be open to inspection and copying under the Public Records Act, and the Clean Water Fund Board shall submit to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations, on Ways and Means, on Agriculture and Forestry, and on Natural Resources, Fish and Wildlife a copy of any recommendations provided to the Governor.

(2) The Clean Water Fund Board may pursue and accept grants, gifts, donations, or other funding from any public or private source and may administer such grants, gifts, donations, or funding consistent with the terms of the grant, gift, or donation.

(3) The Clean Water Fund Board shall:

(A) establish a process by which watershed organizations, State agencies, and other interested parties may propose water quality projects or programs for financing from the Clean Water Fund;

(B) develop an annual revenue estimate and proposed budget for the Clean Water Fund;

(C) establish measures for determining progress and effectiveness of expenditures for clean water restoration efforts;

(D) issue the annual Clean Water Investment Report required under section 1389a of this title; and

(E) solicit, consult with, and accept public comment from organizations interested in improving water quality in Vermont regarding recommendations under this subsection (d) for the allocation of funds from the Clean Water Fund.

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize:

(A) funding to programs and projects that address sources of water pollution in waters listed as impaired on the list of waters established by 33 U.S.C. § 1313(d);

(B) funding to projects that address sources of water pollution identified as a significant contributor of water quality pollution, including financial assistance to grant recipients at the initiation of a funded project;

(C) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;

(D) assistance required for State and municipal compliance with stormwater requirements for highways and roads;

(E) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;

(F) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy;

(G) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices; and

(H) funding to municipalities for the establishment and operation of stormwater utilities.

(2) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Clean Water Fund Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements~~,~~ and to municipalities for the establishment and operation of stormwater utilities.

(3) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall, after satisfaction of the priorities established under subdivision (1) of this subsection (e), attempt to provide for equitable apportionment of awards from the Fund to all regions of the State and for control of all sources of point and ~~non-point~~ nonpoint sources of pollution in

the State.

(f) Assistance. The Clean Water Fund Board shall have the administrative, technical, and legal assistance of the Agency of Administration, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, and the Agency of Commerce and Community Development for those issues or services within the jurisdiction of the respective agency. The cost of the services provided by agency staff shall be paid from the budget of the agency providing the staff services.

(g) Terms; appointed members. Members who are appointed to the Clean Water Fund Board shall be appointed for terms of four years, except initial, appointments shall be made such that the member appointed by the Speaker shall be appointed for a term of two years. Vacancies on the Board shall be filled for the remaining period of the term in the same manner as initial appointments.

Sec. 3. CLEAN WATER FUND BOARD FUNDING AND SERVICE DELIVERY REPORT

On or before November 15, 2018, the Clean Water Fund Board shall report to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations, on Ways and Means, on Agriculture and Forestry, and on Natural Resources, Fish and Wildlife on the following:

(1) A recommendation on the appropriate State share with respect to grants to support governmental and private obligations to comply with water quality improvement. In addition to this recommendation, the Board shall provide:

(A) an inventory of existing State grant and funding programs related to water quality improvement;

(B) the existing State share with respect to each grant or funding program identified in subdivision (A); and

(C) whether that existing State share is required by State or federal law and a reference to that legal requirement.

(2) A recommendation on how funding and services should be delivered to ensure compliance with the phosphorous reduction targets in the Lake Champlain total maximum daily load and the State's water quality objectives. At a minimum, the Board shall evaluate as a part of its recommendation a statewide clean water authority, a regional utility or service-delivery model, and a municipal model. The evaluation shall include an assessment of the ability of the entity to raise revenue, administer programs, and fund projects.

* * * Joint Lake Carmi Pilot Project * * *

Sec. 4. AGENCY OF NATURAL RESOURCES AND AGENCY OF AGRICULTURE, FOOD AND MARKETS JOINT LAKE CARMI PILOT PROGRAM FOR PHOSPHORUS MANAGEMENT

(a) Farm-specific plans.

(1) On or before July 1, 2018, the Secretary of Natural Resources, in consultation with the Secretary of Agriculture, Food and Markets, shall contract with a third-party consultant to develop individual water quality remediation plans for each owner or operator of farmland within the Lake Carmi watershed.

(2) A water quality remediation plan shall:

(A) include an analysis of the soil phosphorus levels, the nutrient sources produced or imported to farmland to be applied on the land, the crop nutrient requirements, phosphorus index rating, tillage methods, land application of nutrients, methods and timing of nutrient application, and any other data necessary to ensure that the nutrient management plan for the farmland meets the State and federal requirements;

(B) specify measures or management practices that an owner or operator of farmland shall implement according to the nutrient management plan; and

(C) identify options available to owners or operators of farmland to protect their land in a manner that mitigates existing environmental impacts while maintaining economic viability or to provide alternatives when the costs of improving water quality exceed the value of the farmland.

(2) Beginning on May 1, 2018, the owner or operator of farmland within the Lake Carmi watershed shall document the following on an annual basis:

(A) the amount of total nutrient sources imported to, produced on, or applied to the farmland in the past year; and

(B) a summary of practices that an owner or operator of farmland has implemented in the last year in order to prevent an increase of phosphorus loads.

(b) Monitoring. The Secretary of Natural Resources shall conduct monitoring of the watershed to establish accountability for the non-point source pollution load into the Lake Carmi watershed.

(c) Best management practices. If monitoring conducted under subsection (c) of this section indicates increasing phosphorus loads in the waters due to non-point source pollution from farmland within the Lake Carmi watershed, the Secretary of Agriculture, Food and Markets shall require the owner or operator of the farmland to implement best management practices under 6 V.S.A. § 4810 to reduce runoff from the farmland.

* * * Report on Future Farming Practices * * *

Sec. 5. AGENCY OF AGRICULTURE, FOOD AND MARKETS REPORT ON FARMING PRACTICES IN VERMONT

The Secretary of Agriculture, Food and Markets shall convene a Nutrient Management Commission in order to review farming practices in Vermont and recommend ways to revise them in a manner that mitigates existing environmental impacts while maintaining economic viability. On or before January 15, 2019, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Natural Resources and Energy and on Agriculture and to the House Committees on Natural Resources, Fish, and Wildlife and on Agriculture and Forestry a report summarizing the recommendations of the Nutrient Management Commission. The report shall include potential strategies and timelines for implementing the following:

(1) building healthy soils;

(2) reducing agriculturally based pollution in areas of highly polluted, stressed, or impaired waters;

(3) establishing a carrying capacity or maximum number of livestock that the land used for nutrient application on a farm can support without contributing nutrients to a water;

(4) including whole-farm nutrient balancing principles into the nutrient management standards for farms in the State;

(5) ways to provide financial and technical support to facilitate the implementation by farms of less-polluting practices, including:

(A) cover cropping;

(B) reduced tillage or no tillage;

(C) options available to farms to protect their land in a manner that mitigates existing environmental impacts while maintaining economic viability or to provide alternatives when the costs of improving water quality exceed the value of the farm;

(D) ways to accelerate the implementation of best management practices (BMPs);

(E) ways to evaluate the effectiveness of using riparian buffers in excess of 25 feet;

(F) ways to accelerate the use of and accountability for direct manure injection;

(G) ways to use crop rotations to build soil health, including limits on the continuous planting of corn; and

(H) ways to eliminate, or at least reduce, the use of herbicides in the termination of cover crops.

* * * Effective Date * * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported the same without recommendation.

Senator Ashe, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendment thereto:

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

* * * Clean Water Planning, Funding, and Implementation Committee * * *

Sec. 1. FINDINGS

The General Assembly finds that for the purposes of this section and Sec. 2 of this act:

(1) Within Vermont there are 7,100 miles of rivers and streams and 812 lakes and ponds of at least five acres in size.

(2) Currently, over 350 waters or water segments in the State do not meet water quality standards, are at risk of not meeting water quality standards, or are altered due to the presence of aquatic nuisances.

(3) The U.S. Environmental Protection Agency (EPA) testified to the General Assembly that the State of Vermont was overdue in establishing a long-term revenue source to support water quality improvement that the EPA required of Vermont in the accountability framework of the Lake Champlain Total Maximum Daily Load plan.

(4) To ensure that the State has sufficient funds to clean and protect the State's waters so that they will continue to provide their integral and inherent

environmental and economic benefits, the State should require the Clean Water Board and a legislative study committee to recommend separately to the General Assembly draft legislation to establish equitable and effective long-term funding methods to support clean water efforts in Vermont.

Sec. 2. LEGISLATIVE CLEAN WATER PLANNING, FUNDING, AND IMPLEMENTATION COMMITTEE

(a) Creation. There is created the Clean Water Planning, Funding, and Implementation Committee to recommend to the General Assembly draft legislation to establish an equitable and effective long-term funding method for:

(1) financing the necessary water quality programs and projects that will remediate, improve, and protect the quality of the waters of the State;

(2) coordinating water quality financing in the State;

(3) planning for the water quality financing needs of the State; and

(4) ensuring accountability of the State's efforts to clean up impaired waters, maintain or achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(b) Membership. The Clean Water Planning, Funding, and Implementation Committee shall be composed of the following eight members:

(1) the Chair of the Senate Committee on Appropriations or designee;

(2) the Chair of the House Committee on Appropriations or designee;

(3) the Chair of the Senate Committee on Natural Resources and Energy or designee;

(4) the Chair of the House Committee on Natural Resources, Fish, and Wildlife or designee;

(5) the Chair of the Senate Committee on Finance or designee;

(6) the Chair of the House Committee on Ways and Means or designee;

(7) the Chair of the Senate Committee on Agriculture or designee; and

(8) the Chair of the House Committee on Agriculture and Forestry or designee.

(c) Powers and duties. The Clean Water Planning, Funding, and Implementation Committee shall study the following issues:

(1) Whether and how the State should establish an independent authority to coordinate, plan, and finance water quality programs and projects across State government.

(2) How to develop a financing plan for water quality programs and projects in the State that will generate revenue sufficient to fund the following State obligations:

(A) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(B) the requirements of 2015 Acts and Resolves No. 64; and

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(3)(A) How the State will raise the revenue or reduce existing expenditures to enable an equivalent level of support necessary to fund fully a financing plan for water quality that:

(i) meets the State's obligations;

(ii) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(iii) includes how a per parcel fee or other fee shall be assessed to property owners in a manner that corresponds to the effect of the parcel on water quality.

(B) In determining how a fee will be assessed to a property, the Committee shall consider whether the fee should account for:

(i) the size of the parcel;

(ii) the location of the parcel;

(iii) whether the parcel or use of the parcel contributes to an impairment of a water of the State or otherwise adversely affects water quality;

(iv) the surface coverage of the parcel, including the amount of impervious surface on the parcel, the amount of cropland or forestland on the parcel, or the number of residential, commercial, or industrial structures on the parcel;

(v) stormwater treatment practices or other water quality measures implemented on the parcel;

(vi) whether to provide credits or reduced charges for payment of a municipal stormwater utility fee or other similar water quality charge; and

(vii) whether the enforcement history or continuing violation of a parcel owner shall be a basis for an adjustment to a fee.

(4) How the State would most efficiently assess and collect a fee on property owners contributing to water quality issues in the State.

(5) Whether the State should adopt by rule a system of priorities for issuance of water quality grants or other financing from the Clean Water Fund and other State-administered financing programs, including whether priorities should be adjusted based on:

(A) the condition of the waters affected by the project, activity, or program;

(B) whether a project will address water quality issues identified in a basin plan;

(C) whether the project will abate or control pollution that is causing or may cause a threat to public health;

(D) whether the project will address an emergency situation affecting or constituting a threat to the environment or the public health, safety, or welfare;

(E) whether the project will address an agricultural water quality issue for which other sources of funds are unavailable;

(F) the fiscal integrity and sustainability of the project, including whether the project is a cost-effective alternative when compared to other alternatives;

(G) if the project removes a pollutant by which the water or waters affected by the project are impaired, the cost-effectiveness of the project at removing that pollutant; and

(H) income or financial resources available to an applicant to conduct the proposed project.

(6) How the State should maintain accountability of the efforts of the State to clean up impaired waters, maintain and achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(d) Assistance. The Clean Water Planning, Funding, and Implementation Committee shall have the administrative, technical, legal, and fiscal assistance of the Office of Legislative Council and the Joint Fiscal Office. The Committee shall also be entitled to seek financial, technical, and scientific input or services from the Office of the State Treasurer, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, the Vermont Center for Geographic Information Services, the Agency of Commerce and Community Development, and the Department of Taxes.

(e) Report. On or before November 15, 2018, the Clean Water Planning, Funding, and Implementation Committee shall submit to the General Assembly draft legislation that addresses the issues set forth under subsection (c) of this section.

(f) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Clean Water Planning, Funding, and Implementation Committee to occur on or before August 1, 2018.

(2) The Committee shall select a chair or co-chairs from among its members at its first meeting.

(3) A majority of the membership of the Committee shall constitute a quorum.

(4) The Clean Water Planning, Funding, and Implementation Committee shall cease to exist on February 1, 2019.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Clean Water Planning, Funding, and Implementation Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.

* * * Clean Water Board * * *

Sec. 3. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER ~~FUND~~ BOARD

(a) Creation.

(1) There is created the Clean Water ~~Fund~~ Board ~~which~~ that shall:

(A) be responsible and accountable for advising the General Assembly regarding planning, coordinating, and financing of the remediation, improvement, and protection of the quality of State waters;

(B) recommend to the ~~Secretary of Administration expenditures~~ General Assembly:

(i) appropriations from the Clean Water Fund, including appropriate block grant amounts from the Agency of Natural Resources' River Basin Block Grant Program; and

(ii) clean water projects to be funded by capital appropriations.

(2) 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 Secretary of Administration or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Secretary of Commerce and Community Development or designee; ~~and~~

(5) the Secretary of Transportation or designee; and

(6) four members of the public, who are not legislators, with expertise in one or more of the following subject matters: public management, civil engineering, agriculture, ecology, wetlands, stormwater system management, forestry, transportation, law, banking, finance, and investment, to be appointed as follows:

(A) the Speaker of the House shall appoint two members of the public, one of whom shall represent a municipality subject to the municipal separate storm sewer system (MS4) permit; and

(B) the Committee on Committees shall appoint two members of the public.

(c) Officers; committees; rules.

(1) The ~~Clean Water Fund Board shall annually elect a chair from its members~~ Secretary of Administration or designee shall serve as the Chair of the Board. 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.

(d) Powers and duties of the Clean Water ~~Fund~~ Board. The Clean Water ~~Fund~~ Board shall have the following powers and authority:

(1) Annually, on or before December 15, the Clean Water Board shall submit to the General Assembly a plan for the appropriation of all State water quality revenues in a manner that:

(A) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(B) adequately funds the following State obligations in the subsequent fiscal years:

(i) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(ii) the requirements of 2015 Acts and Resolves No. 64; and

(iii) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(2) The Clean Water ~~Fund~~ Board shall recommend to the ~~Secretary of Administration~~ General Assembly the appropriate allocation of funds from the Clean Water Fund for the purposes of ~~developing the State budget required to be submitted to the General Assembly under 32 V.S.A. § 306~~ financing the Board's recommended annual financing plan. The recommendations shall include a recommended appropriation to the Agency of Natural Resources' River Basin Block Grant Program under section 1389c of this title. All recommendations from the Board should be intended to achieve the greatest water quality gain for the investment.

~~(2)~~(3) The Clean Water ~~Fund~~ Board may pursue and accept grants, gifts, donations, or other funding from any public or private source and may administer such grants, gifts, donations, or funding consistent with the terms of the grant, gift, or donation.

~~(3)~~(4) The Clean Water ~~Fund~~ Board shall:

(A) establish a process by which watershed organizations, State agencies, and other interested parties may propose water quality projects or programs for financing from the Clean Water Fund;

(B) develop an annual revenue estimate and proposed budget for the Clean Water Fund;

(C) establish measures for determining progress and effectiveness of expenditures for clean water restoration efforts;

(D) issue the annual Clean Water Investment Report required under section 1389a of this title; and

(E) solicit, consult with, and accept public comment from organizations interested in improving water quality in Vermont regarding recommendations under this subsection (d) for the allocation of funds from the Clean Water Fund.

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize:

(A) funding to programs and projects that address sources of water pollution in waters listed as impaired on the list of waters established by 33 U.S.C. § 1313(d);

(B) funding to projects that address sources of water pollution identified as a significant contributor of water quality pollution, including financial assistance to grant recipients at the initiation of a funded project;

(C) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;

(D) assistance required for State and municipal compliance with stormwater requirements for highways and roads;

(E) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;

(F) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy;

(G) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices; and

(H) funding to municipalities for the establishment and operation of stormwater utilities.

(2) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Clean Water ~~Fund~~ Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements, and to municipalities for the establishment and operation of stormwater utilities.

(3) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall, after satisfaction of the priorities established under subdivision (1) of this subsection (e), attempt to provide for equitable apportionment of awards from the Fund to all regions of the State and for control of all sources of point and ~~non-point~~ nonpoint sources of pollution in the State.

(f) Assistance. The Clean Water ~~Fund~~ Board shall have the administrative, technical, and legal assistance of the Agency of Administration, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, and the Agency of Commerce and Community Development for those issues or services within the jurisdiction of the respective agency. The cost of the services provided by agency staff shall be paid from the budget of the agency providing the staff services.

(g) Terms; appointed members. Members who are appointed to the Clean Water Board shall be appointed for terms of four 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. 4. CLEAN WATER BOARD RECOMMENDED DRAFT LEGISLATION; WATER QUALITY FUNDING METHOD

(a) On or before November 15, 2018, the Clean Water Board shall submit to the General Assembly draft legislation to establish an equitable and effective long-term funding method for:

(1) financing the necessary water quality programs and projects that will remediate, improve, and protect the quality of the waters of the State;

(2) coordinating water quality financing in the State;

(3) planning for the water quality financing needs of the State; and

(4) ensuring accountability of the State's efforts to clean up impaired waters, maintain or achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

(b) In developing the draft legislation required under subsection (a) of this section, the Clean Water Board shall study the following issues:

(1) Whether and how the State should establish an independent authority to coordinate, plan, and finance water quality programs and projects across State government.

(2) How to develop a financing plan for water quality programs and projects in the State that will generate revenue sufficient to fund the following State obligations:

(A) federally required or State-required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(B) the requirements of 2015 Acts and Resolves No. 64; and

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule.

(3)(A) How the State will raise the revenue or reduce existing State expenditures to enable an equivalent level of support necessary to fund fully a financing plan for water quality that:

(i) meets the State's obligations;

(ii) maintains a water quality budget that is not less than the funding provided in fiscal year 2019 and that is capable of meeting an equivalent level of support, adjusted for inflation, for fiscal years 2020 through 2024; and

(iii) includes how a per parcel fee or other fee shall be assessed to property owners in a manner that corresponds to the effect of the parcel on water quality.

(B) In determining how a fee will be assessed to a property, the Committee shall consider whether the fee should account for:

(i) the size of the parcel;

(ii) the location of the parcel;

(iii) whether the parcel or use of the parcel contributes to an impairment of a water of the State or otherwise adversely affects water quality;

(iv) the surface coverage of the parcel, including the amount of impervious surface on the parcel, the amount of cropland or forestland on the parcel, or the number of residential, commercial, or industrial structures on the parcel;

(v) stormwater treatment practices or other water quality measures implemented on the parcel;

(vi) whether to provide credits or reduced charges for payment of a municipal stormwater utility fee or other similar water quality charge; and

(vii) whether the enforcement history or continuing violation of a parcel owner shall be a basis for an adjustment to a fee.

(4) How the State would most efficiently assess and collect a fee on property owners contributing to water quality issues in the State.

(5) Whether the State should adopt by rule a system of priorities for issuance of water quality grants or other financing from the Clean Water Fund and other State-administered financing programs, including whether priorities should be adjusted based on:

(A) the condition of the waters affected by the project, activity, or program;

(B) whether a project will address water quality issues identified in a basin plan;

(C) whether the project will abate or control pollution that is causing or may cause a threat to public health;

(D) whether the project will address an emergency situation affecting or constituting a threat to the environment or the public health, safety, or welfare;

(E) whether the project will address an agricultural water quality issue for which other sources of funds are unavailable;

(F) the fiscal integrity and sustainability of the project, including whether the project is a cost-effective alternative when compared to other alternatives;

(G) if the project removes a pollutant by which the water or waters affected by the project are impaired, the cost-effectiveness of the project at removing that pollutant; and

(H) income or financial resources available to an applicant to conduct the proposed project.

(6) How the State should maintain accountability of the efforts of the State to clean up impaired waters, maintain and achieve the Vermont Water Quality Standards in all waters, and prevent the future degradation of waters.

* * * Water Quality Block Grant * * *

Sec. 5. WATER QUALITY BLOCK GRANTS

(a) Definition. As used in this section, "local partner" means a regional planning commission, natural resource conservation district, or watershed organization located or operating in the watershed for which the Agency of Natural Resources has issued a watershed basin plan.

(b) Establishment; purpose.

(1) The Secretary of Natural Resources, the Secretary of Agriculture, Food and Markets, and the Secretary of Transportation shall coordinate prior to awarding water quality grants or financing in order to maximize the water quality benefit or impact of funded projects in a watershed planning basin. When possible, grants or financing for water quality programs shall be issued as a block grant that enhances the capacity of local partners.

(2) A portion of each block grant issued under this section shall include funds authorized for the following:

(A) to support capacity to implement projects in the watershed basin; and

(B) to identify and develop water quality projects listed under the basin plan for the watershed as necessary for the restoration and protection of the waters of the State.

(c) Requirements. On or before January 1, 2019, the Secretary of Natural Resources, the Secretary of Agriculture, Food and Markets, and the Secretary of Transportation shall establish a process for coordinating water quality grants and issuing water quality block grants under this section. The process shall address the following:

(1) requirements for eligibility;

(2) a system of priorities for the award of block grants;

(3) performance measures, reporting requirements, or accountability requirements for recipients of water quality block grants;

(4) uses for which a recipient of a water block grant may allocate or award portions of the block grants to other eligible entities for implementation of water quality programs or projects in a river basin;

(5) methods for identifying watersheds or other areas where the State should focus on enhancing the capacity of local partners; and

(6) any other provision necessary to implement the block grants under this section.

* * * Citizen Right of Action * * *

Sec. 6. 10 V.S.A. chapter 205 is added to read:

CHAPTER 205. CITIZEN RIGHT OF ACTION

§ 8055. CITIZEN RIGHT OF ACTION

(a) Suit authorized. Except as provided in subsection (c) of this section, a person may commence a civil action for equitable or declaratory relief on the person's own behalf against one or more of the following persons:

(1) any person who is alleged to be in violation of any statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215;

(2) any person subject to regulation under this chapter who is alleged to be in violation of any statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under chapter 37 or 47 of this title;

(3) the Secretary of Agriculture, Food and Markets when there is an alleged failure of the Agency of Agriculture, Food and Markets to perform any act or duty under 6 V.S.A. chapter 215 that is not discretionary for the Secretary of Agriculture, Food and Markets or the Agency of Agriculture, Food and Markets; and

(4) the Secretary of Natural Resources when there is an alleged failure of the Agency of Natural Resources to perform any act or duty under chapter 37 or 47 of this title that is not discretionary for the Secretary of Natural Resources or the Agency of Natural Resources.

(b) Prerequisite to commencement of action. A person shall not commence an action under subsection (a) of this section prior to 90 days after the plaintiff has given notice of the violation to:

(1) the Secretary of Agriculture, Food and Markets for an action initiated under subdivision (a)(1) or (3) of this section;

(2) the Secretary of Natural Resources for an action initiated under subdivision (a)(2) or (4) of this section; and

(3) any person who is alleged to be in violation of a statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215 or under chapter 37 or 47 of this title.

(c) Action prohibited. A person shall not commence an action under subsection (a) of this section under either of the following circumstances:

(1) if the Secretary of Agriculture, Food and Markets, the Secretary of Natural Resources, or the Attorney General has commenced and is diligently prosecuting a civil or criminal action to require compliance with a statute, permit, certification, rule, permit condition, prohibition, or order set forth, issued, or required under 6 V.S.A. chapter 215 or under chapter 37 or 47 of this title; or

(2) if the alleged violator is diligently proceeding with complying with an assurance of discontinuance, corrective action, cease and desist order, or emergency administrative order issued under 6 V.S.A. chapter 215 or under chapter 201 of this title.

(d) Venue. A person shall bring an action under subsection (a) of this section in the Environmental Division of the Superior Court.

(e) Intervention. In any action under subsection (a) of this section:

(1) Any person may intervene as a matter of right when:

(A) the person seeking intervention claims an interest relating to the subject of the action and he or she is so situated that the disposition of the action may, as a practical matter, impair or impede his or her ability to protect that interest; and

(B)(i) for an action initiated under subdivision (a)(1) or (3) of this section, the Secretary of Agriculture, Food and Markets or the Secretary of Natural Resources demonstrates that the applicant's interest is adequately represented by existing parties; or

(ii) for an action initiated under subdivision (a)(2) or (4) of this section, the Secretary of Natural Resources demonstrates that the applicant's interest is adequately represented by existing parties.

(2) The Secretary of Agriculture, Food and Markets, the Secretary of Natural Resources, or the Attorney General may intervene as a matter of right as a party to represent its interests.

(f) Notice of action. A person bringing an action under subsection (a) of this section shall provide the notice required under subsection (b) of this section in writing. The notice shall be served on the alleged violator in person or by certified mail, return receipt requested. The notice to the Secretary shall be served by certified mail, return receipt requested. The notice shall include a brief description of the alleged violation and identification of the statute, permit, certification, rule, permit condition, prohibition, or order that is the subject of the violation.

(g) Attorney's fees; costs. The Environmental Division of the Superior Court may award costs, including reasonable attorney's fees and fees for expert witnesses, to a person bringing an action under subsection (a) of this section when the court determines that the award is appropriate. The Environmental Division of the Superior Court may award costs, including reasonable attorney's fees and fees for expert witnesses, to the State or to a person subject to an action under this section if the court determines that the action was frivolous, unreasonable, or without foundation.

(h) Rights preserved. Nothing in this section shall be construed to impair or diminish any common law or statutory right or remedy that may be available to any person. Rights and remedies created by this section shall be in addition to any other right or remedy, including the authority of the State to

bring an enforcement action separate from an action brought under this section. No determination made by a court in an action maintained under this section, to which the State has not been a party, shall be binding upon the State in any enforcement action.

* * * Required Agricultural Practices; Healthy Soils * * *

Sec. 7. 6 V.S.A. § 4810a is amended to read:

§ 4810a. REQUIRED AGRICULTURAL PRACTICES; REVISION

(a) ~~On or before September 15, 2016, the~~ The Secretary of Agriculture, Food and Markets shall ~~file under 3 V.S.A. § 841 a final proposal of a rule amending~~ amend by rule the required agricultural practices in order to improve water quality in the State, assure practices on all farms eliminate adverse impacts to water quality, and implement the small farm certification program required by section 4871 of this title. At a minimum, the ~~amendments to the~~ required agricultural practices shall:

* * *

(4) Establish standards for nutrient management on farms, including:

(A) required nutrient management planning on all farms that manage agricultural wastes;

(B) ~~recommended~~ required practices incorporated within a nutrient management plan for improving and maintaining soil quality and healthy soils in order to increase the capacity of soil to retain water, improve flood resiliency, reduce sedimentation, reduce reliance on fertilizers and pesticides, and prevent agricultural stormwater runoff, including requirements for tillage; and

(C) methods for complying with individual load allocations, if any, for a farm if required under a total maximum daily load plan or other remediation plan for an impaired water.

* * *

Sec. 8. IMPLEMENTATION

On or before July 1, 2019, the Secretary of Agriculture, Food and Markets shall revise the Required Agricultural Practices to include the practices for improving and maintaining soil quality and healthy soils required under 6 V.S.A. § 4810a(a)(4).

* * * Joint Lake Carmi Pilot Project * * *

Sec. 9. AGENCY OF NATURAL RESOURCES AND AGENCY OF AGRICULTURE, FOOD AND MARKETS JOINT LAKE CARMI PILOT PROGRAM FOR PHOSPHORUS MANAGEMENT

(a) Farm-specific plans.

(1) On or before July 1, 2018, the Secretary of Natural Resources, in consultation with the Secretary of Agriculture, Food and Markets, shall contract with a third-party consultant to develop individual water quality remediation plans that each owner or operator of farmland within the Lake Carmi watershed shall be required to implement.

(2) A water quality remediation plan shall:

(A) include an analysis of the soil phosphorus levels, the nutrient sources produced or imported to farmland to be applied on the land, the crop nutrient requirements, phosphorus index rating, tillage methods, land application of nutrients, methods and timing of nutrient application, and any other data necessary to reduce the export or runoff of nutrients from the farmland and ensure that the nutrient management plan for the farmland meets the State and federal requirements;

(B) specify requirements, measures, or management practices that an owner or operator of farmland shall implement according to a nutrient management plan; and

(C) identify options available to owners or operators of farmland to protect their land in a manner that mitigates existing environmental impacts while maintaining economic viability or to provide alternatives when the costs of improving water quality exceed the value of the farmland.

(3) Beginning on May 1, 2018, the owner or operator of farmland within the Lake Carmi watershed shall document the following on an annual basis:

(A) the amount of total nutrient sources imported to, produced on, or applied to the farmland in the past year; and

(B) a summary of practices that an owner or operator of farmland has implemented in the last year in order to prevent an increase of phosphorus loads from the farmland.

(b) Monitoring. The Secretary of Natural Resources shall conduct monitoring of the watershed to establish accountability for the nonpoint source pollution load into the Lake Carmi watershed.

(c) Best management practices. If monitoring conducted under subsection (b) of this section indicates increasing phosphorus loads in the waters due to nonpoint source pollution from farmland within the Lake Carmi watershed, the Secretary of Agriculture, Food and Markets shall require the owner or operator of the farmland to implement best management practices under 6 V.S.A. § 4810 to reduce runoff from the farmland.

(d) Enforcement; appeal.

(1) The Secretary of Natural Resources may take action under 10 V.S.A. chapter 201 to enforce the requirements of this section.

(2) A person may appeal an act or decision of the Secretary of Natural Resources under this section, excluding enforcement actions under 10 V.S.A. chapter 201 or 220.

* * * ANR Report on Future Farming Practices * * *

Sec. 10. AGENCY OF AGRICULTURE, FOOD AND MARKETS REPORT ON FARMING PRACTICES IN VERMONT

On or before January 15, 2019, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committees on Natural Resources and Energy and on Agriculture and to the House Committees on Natural Resources, Fish, and Wildlife and on Agriculture and Forestry a report regarding how to revise farming practice in Vermont in a manner that mitigates existing environmental impacts while maintaining economic viability. The report shall include recommendations for:

(1) building healthy soils;

(2) reducing agriculturally based pollution in areas of high pollution, stressed, or impaired waters;

(3) establishing a carrying capacity or maximum number of livestock that the land used for nutrient application on a farm can support without contribution of nutrients to a water;

(4) how to provide financial and technical support to facilitate the transition by farms to less-polluting practices, including:

(A) cover cropping;

(B) reduced tillage or no tillage;

(C) transition out of dairy farming through a whole-herd buyout program;

(D) how to accelerate the implementation of best management practices (BMPs);

(E) how to evaluate the effectiveness of using riparian buffers in excess of 25 feet;

(F) how to accelerate the use of direct manure injection;

(G) how to use crop rotations to build soil health, including limits on the planting of continuous corn; and

(H) how to eliminate, or at least reduce, the use of herbicides in the termination of cover crops.

* * * Effective Date * * *

Sec. 11. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the report of the Committee on Natural Resources and Energy, as amended be amended as recommended by the Committee on Agriculture?, Senator Collamore requested and was granted leave to withdraw the report of the Committee on Agriculture.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 262.

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

An act relating to miscellaneous changes to the Medicaid program and the Department of Vermont Health Access.

Reported recommending that the bill be amended as follows:

First: In Sec. 3, 33 V.S.A. § 1958, in subsection (a), in the fourth sentence, by striking out the number "10" and inserting in lieu thereof the number 30

Second: By striking out Sec. 8, 3 V.S.A. § 3091, and its reader assistance heading in their entirety and inserting in lieu thereof a new Sec. 8 and reader assistance heading to read as follows:

* * * Human Services Board; Fair Hearings * * *

Sec. 8. 3 V.S.A. § 3091 is amended to read:

§ 3091. HEARINGS

* * *

(e)(1) The Board shall give written notice of its decision to the person applying for fair hearing and to the Agency.

(2) Unless a continuance is requested or consented to by an aggrieved person, decisions and orders concerning Temporary Assistance to Needy Families (TANF) under 33 V.S.A. chapter 11, TANF-Emergency Assistance (TANF-EA) under Title IV of the Social Security Act, and medical assistance (Medicaid) under 33 V.S.A. chapter 19 shall be issued by the Board within 75 days ~~of~~ after the request for hearing.

(3) Notwithstanding any provision of subsection (c) or (d) or subdivision (1) of this subsection (e) to the contrary, in the case of an expedited Medicaid fair hearing, the Board shall delegate both its fact-finding and final decision-making authority to a hearing officer, and the hearing officer's written findings and order shall constitute the Board's decision and order in accordance with timelines set forth in federal law.

* * *

(i) In the case of an appeal of a Medicaid covered service decision made by the Department of Vermont Health Access or any entity with which the Department of Vermont Health Access enters into an agreement to perform service authorizations that may result in an adverse benefit determination, the right to a fair hearing granted by subsection (a) of this section shall be available to an aggrieved beneficiary only after that individual has exhausted, or is deemed to have exhausted, the Department of Vermont Health Access's internal appeals process and has received a notice that the adverse benefit determination was upheld.

Third: By adding a new section to be numbered Sec. 8a to read as follows:

Sec. 8a. APPEAL OF MEDICAID COVERED SERVICE DECISIONS; FAIR HEARING; RULEMAKING

The Department of Vermont Health Access shall adopt rules pursuant to 3 V.S.A. chapter 25 establishing a process by which the Department shall

ensure that a Medicaid beneficiary who files a request for a fair hearing with the Human Services Board prior to exhausting the Department's internal appeals process receives appropriate assistance with filing the internal appeal and, if the internal appeal results in an adverse determination, with filing a timely request for a fair hearing with the Human Services Board if the beneficiary wishes to do so.

And that when so amended the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Health and Welfare with the following amendments thereto:

First: By adding a reader assistance heading and a new section to be numbered Sec. 2a to read as follows:

* * * Increasing Income Threshold for Dr. Dynasaur Premiums * * *

Sec. 2a. 33 V.S.A. § 1901(c) is amended to read:

(c) The Secretary may charge a monthly premium, in amounts set by the General Assembly, per family for pregnant women and children eligible for medical assistance under Sections 1902(a)(10)(A)(i)(III), (IV), (VI), and (VII) of Title XIX of the Social Security Act, whose family income exceeds ~~185~~ 195 percent of the federal poverty level, as permitted under section 1902(r)(2) of that act. Fees collected under this subsection shall be credited to the State Health Care Resources Fund established in section 1901d of this title and shall be available to the Agency to offset the costs of providing Medicaid services. Any co-payments, coinsurance, or other cost sharing to be charged shall also be authorized and set by the General Assembly.

Second: In Sec. 5, 33 V.S.A. § 403, in the heading of the section, by striking out the words "BANKS AND" and by striking out subsection (a) in its entirety and relettering the remaining subsections to be alphabetically correct.

And that when so amended the bill ought to pass.

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

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Health and Welfare, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bill Amended; Third Reading Ordered

S. 276.

Senator Pollina, for the Committee on Agriculture, to which was referred Senate bill entitled:

An act relating to rural economic development.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Rural Economic Development Initiative * * *

Sec. 1. 10 V.S.A. § 325m is amended to read:

§ 325m. RURAL ECONOMIC DEVELOPMENT INITIATIVE

(a) Definitions. As used in this subchapter:

(1) ~~"Industrial park" means an area of land permitted as an industrial park under chapter 151 of this title or under 24 V.S.A. chapter 117, or under both.~~

~~(2)~~ "Rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

~~(3)~~(2) "Small town" means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(b) Establishment. There is created ~~within the Vermont Housing and Conservation Board~~ a Rural Economic Development Initiative ~~to promote and facilitate~~ to be administered by the Vermont Housing and Conservation Board for the purpose of promoting and facilitating community economic development in the small towns and rural areas of the State. The Rural Economic Development Initiative shall collaborate with municipalities, businesses, ~~industrial parks,~~ regional development corporations, and other appropriate entities to access funding and other assistance available to small towns and businesses in rural areas of the State when existing State resources or staffing assistance is not available.

(c) Services; access to funding.

~~(1)~~ The Rural Economic Development Initiative shall provide the following services to small towns and businesses in rural areas:

~~(A)~~(1) identification of grant or other funding opportunities ~~available to small towns, businesses in rural areas, and industrial parks in small towns and rural areas~~ that facilitate business development, ~~siting of businesses, workforce development, broadband deployment,~~ infrastructure development, or other economic development opportunities;

~~(B)~~(2) technical assistance ~~to small towns, businesses in rural areas, and industrial parks in small towns and rural areas~~ in writing grants, accessing ~~and completing the application process for identified grants or~~ other funding ~~opportunities, including writing applications for grants or other funding~~, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other funding, and compliance with the requirements of grant awards or awards of other funding.

~~(2)~~(d) In providing services under this subsection, the Rural Economic Development Initiative shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation.

~~(d)~~(e) ~~Services; business development~~ Priority projects. The Rural Economic Development Initiative shall ~~provide small towns and rural areas with services to facilitate business development in these areas. These services shall include:~~

~~(1) Identifying businesses or business types suitable for a small town, rural areas, industrial parks in a small town or rural area, or coworker spaces or generator spaces in rural areas. In identifying businesses or business types, the Rural Economic Development Initiative shall~~ seek to assist the following priority types of projects:

~~(A) identify businesses or business types in the following priority areas:~~

~~(i)~~(1) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

~~(ii)~~(2) ~~the~~ outdoor recreation and equipment ~~or recreation industry~~ enterprises;

~~(iii)~~(3) ~~the~~ value-added food and forest products ~~industry~~ enterprises;

~~(iv)~~(4) ~~the value-added food industry~~ farm operations, including phosphorus removal technology for farm operations;

~~(v)~~(5) ~~phosphorus removal technology~~ coworking or business generator and accelerator spaces; ~~and~~

~~(vi)~~(6) commercial composting facilities; and

(7) restoration and rehabilitation of historic buildings in community centers.

~~(B) explore with a small town or rural area whether underused or closed school buildings are appropriate sites for coworker or generator spaces.~~

~~(2) Recommending available grants, tax credits, or other incentives that a small town or rural area can use to attract businesses.~~

~~(3)~~(f) In providing services under this subsection, the Rural Economic Development Initiative shall coordinate with the Secretary of Commerce and Community Development ~~in order to avoid duplication by the Rural Economic Development Initiative of business recruitment and workforce development services provided by the Agency of Commerce and Community Development~~ and regional development corporations.

~~(e)~~(g) Report. Beginning on January ~~15, 2018~~ 31, 2019, and annually thereafter, the Rural Economic Development Initiative shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture and Forestry and on Commerce and Economic Development a report regarding the activities and progress of the Initiative as part of the report of the Vermont Farm and Forest Viability Program. The report shall ~~include:~~

~~(1) a summary of the Initiative's activities in the preceding calendar year;~~

~~(2) an evaluation of the effectiveness of the services provided by the Initiative to small towns, rural areas, and industrial parks;~~

~~(3) a summary of the Initiative's progress in attracting priority businesses to small towns and rural areas;~~

~~(4) an accounting of the grants or other funding that the Initiative facilitated or provided assistance with;~~

~~(5) an accounting of the funds acquired by the Rural Economic Development Initiative for administration of grants or other funding mechanisms and whether these funds are sufficient to offset the cost of the Rural Economic Development Initiative; and~~

~~(6) recommended changes to the program, including proposed legislative amendments to further economic development in small towns and rural areas in the State~~ summarize the Initiative's activities in the preceding year; evaluate the effectiveness of the services provided by the Initiative; and provide an accounting of the grants or other funding that the Initiative facilitated or helped secure.

* * * Outdoor Recreation Friendly Community Program * * *

Sec. 2. OUTDOOR RECREATION FRIENDLY COMMUNITY PROGRAM

(a) Establishment. The Outdoor Recreation Friendly Community Program (Program) is created to provide incentives for communities to leverage outdoor recreation assets to foster economic growth within a town, village, city, or region of the State.

(b) Administration. The Program shall be administered by the Department of Forests, Parks and Recreation in association with the Agency of Commerce and Community Development.

(c) Selection. The Commissioner of Forests, Parks and Recreation in consultation with the Agency of Commerce and Community Development and the Vermont Outdoor Recreation Economic Collaborative steering committee shall select communities for the Program using, at minimum, the following factors.

(1) community economic need;

(2) identification of outdoor recreation as a priority in a town plan or other pertinent planning document;

(3) community commitment to an outdoor recreation vision; demonstrated support from community officials, the public, local business, and local and statewide outdoor recreation nonprofit organizations; and commitment to adhere to accepted standards and recreation ethos;

(4) a community with a good foundation of outdoor recreation assets already in place with strong potential for growth on both private and public lands;

(5) a community with good opportunities for connecting assets within the community with assets of other nearby communities;

(6) a community with an existing solid network of local supporting businesses; and

(7) community commitment to track and measure outcomes to demonstrate economic and social success.

(d) Incentives. Communities accepted into the Program shall be offered, at minimum, the following incentives.

(1) preferential consideration to become part of the Vermont Trail System;

(2) preferential consideration when applying for grant assistance through the Recreational Trails Program and the Land and Water Conservation Fund Program;

(3) access to other economic development assistance if available and appropriate; and

(4) recognition as part of a network of Outdoor Recreation Friendly Communities connected through a common branding and adherence to high standards of quality and service.

(e) Pilot project and appropriation. A sum of $100,000.00 shall be allocated to the Agency of Commerce and Community Development to be administered in association with the Department of Forests, Parks and Recreation and used in support of pilot communities chosen by the Commissioner of Forests, Parks and Recreation to serve as a prototype for the Program. The funding may be used for the following purposes.

(1) communitywide outdoor recreation planning, including assessment, mapping, and identifying possibilities and priorities;

(2) services of consultants and other technical assistance providers;

(3) public facing mapping and other informational materials;

(4) securing access;

(5) implementation of public access improvements;

(6) stewardship;

(7) marketing; and

(8) program administration.

(f) Reports. On or before January 15, 2019, the Commissioner of Forests, Parks and Recreation shall submit a report to the General Assembly detailing the progress made with the pilot project authorized under subsection (e) of this section. On or before January 15, 2020, the Commissioner of Forests, Parks and Recreation shall submit a report to the General Assembly detailing any measurable results of economic activity growth.

* * * Vermont Trail System; Act 250 * * *

Sec. 3. 10 V.S.A. § 6001(3) is amended to read:

(3)(A) "Development" means each of the following:

* * *

(v) The construction of improvements on a tract of land involving more than 10 acres that is to be used for municipal, county, or State purposes. In computing the amount of land involved, land shall be included that is incident to the use such as lawns, parking areas, roadways, leaching fields and

accessory buildings. Trails designated as part of the Vermont Trails System under chapter 20 of this title shall be deemed to be for the use of a State purpose.

* * *

Sec. 4. 10 V.S.A. § 6001(3)(F) is added to read

(F) Trail projects.

(i) When jurisdiction over a trail has been established pursuant to 10 V.S.A. § 6001(3)(A), jurisdiction shall extend only to the trail corridor and to any area directly or indirectly impacted by the construction, operation, or maintenance of the trail corridor. The width of the corridor shall be 10 feet unless the Commission determines that circumstances warrant a wider or narrower corridor width.

(ii) Except in the case of construction on State lands, which are subject to an independent review of environmental impacts by a State agency, or the case of construction of a trail that is recognized as a trail within the Vermont Trails System pursuant to chapter 20 of this title, when the construction of improvements for a trail is proposed for a project on both private and public land and for both a private and governmental purposes and the portion of the project on private land reaches the threshold for jurisdiction under subdivision 6001(3)(A)(i) or (ii) of this title, the portion of the project on public land shall also be subject to jurisdiction under this chapter, even if jurisdiction would not otherwise apply under the chapter.

* * * Forest Products Industry; Act 250 * * *

Sec. 5. 10 V.S.A. § 6084 is amended to read:

§ 6084. NOTICE OF APPLICATION; HEARINGS; COMMENCEMENT OF REVIEW

* * *

(g) Where an application concerns the construction of improvements for a sawmill that produces two million board feet or less annually, the application shall be processed as a minor application under subdivision (b)(2) of this section.

* * * Forest Products Industry; Wood Energy; Supply * * *

Sec. 6. 16 V.S.A. § 837 is added to read:

§ 837. PUBLIC SCHOOLS; WOOD HEAT; FUEL SUPPLIERS

Public schools and independent schools designated under section 827 of this title that use wood to produce heat or electricity, or both, shall give preference to Vermont suppliers when making fuel supply purchases.

Sec. 7. 30 V.S.A. § 8009(a)(2) is amended to read:

(2) "Baseload renewable power portfolio requirement" means an annual average of 175,000 MWh of baseload renewable power from an in-state woody biomass plant that was commissioned prior to September 30, 2009, has a nominal capacity of 20.5 MW, uses woody biomass from Vermont or from Vermont suppliers for the majority of its fuel supply, and was in service as of January 1, 2011, provided that the woody biomass plant during times of inadequate supply of woody biomass may use a majority of wood from non-Vermont suppliers. Under this subdivision, woody biomass may be supplied by an out-of-state supplier who harvests woody biomass in Vermont. A Vermont supplier under this subdivision includes a business located in the State that harvests wood in other states for sale in Vermont.

Sec. 8. PUBLIC BUILDINGS; WOOD ENERGY; VERMONT SUPPLIERS; REPORT

(a) On or before December 15, 2018, the Commissioner of Buildings and General Services (Commissioner), in consultation with the Commissioner of Public Service, shall submit a written report and recommendation on the feasibility and impacts of requiring State or municipally-owned public buildings that use wood to produce heat or electricity, or both, to give preference to Vermont suppliers when making fuel supply purchases.

(b) As used in this section, "public building" has the same meaning as in 20 V.S.A. § 2730.

(c) The submission shall include the Commissioner's specific recommendations as to each of the following categories:

(1) public buildings owned or occupied by the State of Vermont, counties, municipalities, or other public entities; and

(2) public buildings in Vermont that receive incentives or financing, or both, from the State of Vermont and are not within the category described in subdivision (1) of this subsection.

(d) The Commissioner shall submit the report and recommendation to the Senate Committees on Agriculture and on Natural Resources and Energy and the House Committees on Agriculture and Forestry and on Energy and Technology.

* * *Self-administered Efficiency Charge * * *

Sec. 9. 30 V.S.A. § 209(d)(3)(B) is amended to read:

(B) The charge established by the Commission pursuant to this subdivision (3) shall be in an amount determined by the Commission by rule

or order that is consistent with the principles of least-cost integrated planning as defined in section 218c of this title.

(i) As circumstances and programs evolve, the amount of the charge shall be reviewed for unrealized energy efficiency potential and shall be adjusted as necessary in order to realize all reasonably available, cost-effective energy efficiency savings.

(ii) In setting the amount of the charge and its allocation, the Commission shall determine an appropriate balance among the following objectives; provided, however, that particular emphasis shall be accorded to the first four of these objectives: reducing the size of future power purchases; reducing the generation of greenhouse gases; limiting the need to upgrade the State's transmission and distribution infrastructure; minimizing the costs of electricity; reducing Vermont's total energy demand, consumption, and expenditures; providing efficiency and conservation as a part of a comprehensive resource supply strategy; providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

(iii) The Commission, by rule or order, shall establish a process by which a customer ~~who pays an average annual energy efficiency charge under this subdivision (3) of at least $5,000.00~~ may apply to the Commission to self-administer energy efficiency through the use of an energy savings account which shall contain a percentage of the customer's energy efficiency charge payments as determined by the Commission. The remaining portion of the charge shall be used for systemwide energy benefits. The Commission in its rules or order shall establish criteria for approval of these applications. A customer shall be eligible for an energy savings account if one of the following applies:

(I) The customer pays an average annual energy efficiency charge under this subdivision (3) of at least $5,000.00.

(II) The served premises of the customer are located in an industrial park in a rural area. As used in this subdivision (II):

(aa) "Industrial park" means an area of land permitted as an industrial park under 10 V.S.A. chapter 151 or under 24 V.S.A. chapter 117, or under both.

(bb) "Rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

* * * Forestland; Use Value Appraisal * * *

Sec. 10. 32 V.S.A. § 3756 is amended to read:

§ 3756. QUALIFICATION FOR USE VALUE APPRAISAL

(a) The owner of eligible agricultural land, farm buildings, or managed forestland shall be entitled to have eligible property appraised at its use value, provided the owner shall have applied to the Director on or before September 1 of the previous tax year, on a form approved by the Board and provided by the Director. A farmer, whose application has been accepted on or before December 31 by the Director of the Division of Property Valuation and Review of the Department of Taxes for enrollment for the use value program for the current tax year, shall be entitled to have eligible property appraised at its use value, if he or she was prevented from applying on or before September 1 of the previous year due to the severe illness of the farmer.

* * *

(i)(1) ~~After providing 30 days' notice to the owner, the Director shall remove from use value appraisal an entire parcel of managed forestland and notify the owner when the Commissioner of Forests, Parks and Recreation has not received a required management activity report or has received an adverse inspection report, unless the lack of conformance consists solely of the failure to make prescribed planned cutting. In that case, the Director may delay removal from use value appraisal for a period of one year at a time to allow time to bring the parcel into conformance with the plan.~~

~~(2)~~(A) The Director shall remove from use value appraisal an entire parcel or parcels of agricultural land and farm buildings identified by the Secretary of Agriculture, Food and Markets as being used by a person:

~~(i)~~(A) found, after administrative hearing, or contested judicial hearing or motion, to be in violation of water quality requirements established under 6 V.S.A. chapter 215, or any rules adopted or any permit or certification issued under 6 V.S.A. chapter 215; or

~~(ii)~~(B) who is not in compliance with the terms of an administrative or court order issued under 6 V.S.A. chapter 215, subchapter 10 to remedy a violation of the requirements of 6 V.S.A. chapter 215 or any rules adopted or any permit or certification issued under 6 V.S.A. chapter 215.

~~(B)~~(2) The Director shall notify the owner that agricultural land or a farm building has been removed from use value appraisal by mailing notification of removal to the owner or operator's last and usual place of abode. After removal of agricultural land or a farm building from use value appraisal under this section, the Director shall not consider a new application

for use value appraisal for the agricultural land or farm building until the Secretary of Agriculture, Food and Markets submits to the Director a certification that the owner or operator of the agricultural land or farm building is complying with the water quality requirements of 6 V.S.A. chapter 215 or an order issued under 6 V.S.A. chapter 215. After submission of a certification by the Secretary of Agriculture, Food and Markets, an owner or operator shall be eligible to apply for enrollment of the agricultural land or farm building according to the requirements of this section.

* * *

(k)(1) As used in this subsection:

(A) "Contiguous" means touching, bordering, or adjoining along the boundary of a property. Properties that would be contiguous if except for separation by a roadway, railroad, or other public easement shall be considered contiguous.

(B) "Parcel" shall have the same meaning as in 32 V.S.A. § 4152.

(2) After providing 30 days' notice to the owner, the Director shall remove from use value appraisal an entire parcel of contiguous managed forestland and notify the owner when the Commissioner of Forests, Parks and Recreation has not received a required management activity report or has received an adverse inspection report on greater than one percent of enrolled forestland on a parcel, unless the lack of conformance consists solely of the failure to make prescribed planned cutting. In that case, the Director may delay removal from use value appraisal for a period of one year at a time to allow time to bring the parcel into conformance with the plan. When the Director receives an adverse inspection report documenting violations on less than or equal to one percent of forestland on a parcel, the forestland enrolled in the municipality in which the violation occurred shall be removed from use value appraisal, unless the lack of conformance consists solely of the failure to make a prescribed planned cutting under a forest management plan. If a violation consists solely of failure to make a prescribed planned cutting, the Director may delay removal of a parcel of forestland from use value appraisal for a period of one year at a time to allow the owner of the parcel opportunity to bring the parcel into conformance with its forest management plan.

Sec. 11. 32 V.S.A. § 3755(d) is amended to read:

(d) After managed forestland has been removed from use value appraisal due to an adverse inspection report under ~~subdivision 3756(i)(1)~~ subsection 3756(k) of this title, a new application for use value appraisal shall not be considered for a period of five years, and then shall be approved by the Department of Forests, Parks and Recreation only if a compliance report has

been filed with the new application, certifying that appropriate measures have been taken to bring the parcel into compliance with minimum acceptable standards for forest or conservation management.

* * * Energy Efficiency; Households with Low Income * * *

Sec. 12. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(e) Thermal energy and process fuel efficiency funding.

* * *

(2) If a program combines regulated fuel efficiency services with unregulated fuel efficiency services supported by funds under this section, the Commission shall allocate the costs of the program among the funding sources for the regulated and unregulated fuel sectors in proportion to the benefits provided to each sector.

* * *

(f) Goals and criteria; all energy efficiency programs. With respect to all energy efficiency programs approved under this section, the Commission shall:

(1) Ensure that all retail consumers, regardless of retail electricity, gas, or heating or process fuel provider or of household income, will have an opportunity to participate in and benefit from a comprehensive set of cost-effective energy efficiency programs and initiatives designed to overcome barriers to participation. To further this goal, the Commission shall require that a percentage of energy efficiency funds be used to deliver energy efficiency programs to customers with household incomes below 80 percent of the statewide median income, as defined by the U.S. Department of Housing and Urban Development, and the requirements of subdivision (e)(2) of this section shall not apply to such delivery.

* * *

* * * Electric Utility Demand Charges; Rural Towns * * *

Sec. 13. DEMAND CHARGES; REPORT

(a) On or before January 31, 2019, the Commissioner of Public Service (Commissioner), in consultation with the Secretary of Commerce and Community Development, shall submit a written report on electric utility demand charges in Vermont and their effect on the ability of industrial enterprises to locate in rural towns of the State.

(b) The Commissioner shall submit the report to the House Committees on Agriculture and Forestry, on Commerce and Community Development, and on Energy and Technology and the Senate Committees on Agriculture, on Economic Development, Housing and General Affairs, and on Finance.

(c) The report under this section shall include:

(1) a narrative summary of the terms, conditions, and rates for each demand charge tariff of each Vermont electric utility;

(2) a table that shows the rates and applicability of each such tariff, with such other information as the Commissioner may consider relevant, organized by electric utility;

(3) an analysis of the alternatives to these tariffs that will improve the ability of industrial enterprises to locate in rural towns of the State;

(4) the Commissioner's recommendations on changes to demand charge tariffs that would encourage locating industrial enterprises in rural towns of the State or that would reduce or remove disincentives posed by demand charge tariffs to such locations.

(d) In this section, "rural town" shall have the same meaning as in 24 V.S.A. § 4303.

* * * Environmental Permitting Fees * * *

Sec. 14. 3 V.S.A. § 2822(j) is amended to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(26) For individual conditional use determinations, for individual wetland permits, for general conditional use determinations issued under 10 V.S.A. § 1272, or for wetland authorizations issued under a general permit, an administrative processing fee assessed under subdivision (2) of this subsection ~~(j)~~ and an application fee of:

(A) $0.75 per square foot of proposed impact to Class I or II wetlands.

(B) $0.25 per square foot of proposed impact to Class I or II wetland buffers.

(C) Maximum fee, for the conversion of Class II wetlands or wetland buffers to cropland use or for installation of a pipeline in a wetland for the transport of manure for the purposes of farming, as that term is defined in

10 V.S.A. § 6001(22), $200.00 per application. As used in this subdivision, "cropland" means land that is used for the production of agricultural crops, including row crops, fibrous plants, pasture, fruit-bearing bushes, trees, or vines, and the production of Christmas trees.

* * *

* * * Purchase and Use Tax; Forestry Equipment * * *

Sec. 15. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

(1) Motor vehicles owned or registered, or motor vehicles rented, by any state or province or any political subdivision thereof.

* * *

(23) The following motor vehicles used for timber cutting, timber removal, and processing of timber or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable, feller bunchers, cut-to-length processors, forwarders, delimbers, loader slashers, log loaders, whole-tree chippers, stationary screening systems, portable sawmills, and firewood processors, elevators, and screens.

* * * Sales and Use Tax; Tax Credit; Advanced Wood Boilers * * *

Sec. 16. 32 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

Unless the context in which they occur requires otherwise, the following terms when used in this chapter mean:

* * *

(54) "Noncollecting vendor" means a vendor that sells tangible personal property or services to purchasers who are not exempt from the sales tax under this chapter, but that does not collect the Vermont sales tax.

(55) "Advanced wood boiler" means a boiler or furnace:

(A) installed as a primary central heating system;

(B) rated as high-efficiency, meaning a higher heating value or gross calorific value of 80 percent or more;

(C) containing at least one week fuel-storage, automated startup and shutdown, and fuel feed; and

(D) meeting other efficiency and total particulate matter standards established by the Department of Public Service.

Sec. 17. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(52) Advanced wood boilers, as defined in section 9701 of this title, whether for residential or commercial use.

Sec. 18. 32 V.S.A. § 5930l is added to read:

§ 5930l. ADVANCED WOOD BOILER TAX CREDIT

(a) As used in this section "advanced wood boiler" means a boiler or furnace:

(1) installed as a primary central heating system;

(2) rated as high-efficiency, meaning a higher heating value or gross calorific value of 80 percent or more;

(3) containing at least one week fuel-storage, automated startup and shutdown, and fuel feed; and

(4) meeting other efficiency and total particulate matter standards established by the Department of Public Service.

(b) A taxpayer of this State shall be eligible for a credit against the tax imposed under this chapter in an amount equal to 50 percent of the purchase cost of an advanced wood boiler.

(c) Any unused credit available under subsection (b) of this section may be carried forward for up to 10 years.

Sec. 19. 32 V.S.A. § 5813(p) is amended to read:

(p) The statutory purpose advanced wood boiler tax credit in section 5930l of this title is to promote the forest products industry in Vermont by encouraging the purchase of modern wood heating systems.

Sec. 20. 32 V.S.A. § 9706 is amended to read:

(ll) The statutory purpose of the exemption for advanced wood boilers in subdivision 9741(52) of this title is to promote the forest products industry in Vermont by encouraging the purchase of modern wood heating systems.

* * * Hemp * * *

Sec. 21. PURPOSE

The purpose of Sections 21-23 of this act are to amend the laws of Vermont regarding the cultivation of industrial hemp to conform with federal requirements for industrial hemp research set forth in section 7606 of the federal Agricultural Act of 2014, Public Law No. 113-79, codified at 7 U.S.C. § 5940.

Sec. 22. 6 V.S.A. chapter 34 is amended to read:

CHAPTER 34. HEMP

§ 561. FINDINGS; INTENT

(a) Findings.

(1) Hemp has been continuously cultivated for millennia, is accepted and available in the global marketplace, and has numerous beneficial, practical, and economic uses, including: high-strength fiber, textiles, clothing, ~~bio-fuel~~ biofuel, paper products, protein-rich food containing essential fatty acids and amino acids, biodegradable plastics, resins, nontoxic medicinal and cosmetic products, construction materials, rope, and value-added crafts.

(2) The many agricultural and environmental beneficial uses of hemp include: livestock feed and bedding, stream buffering, erosion control, water and soil purification, and weed control.

(3) The hemp plant, an annual herbaceous plant with a long slender stem ranging in height from four to 15 feet and a stem diameter of one-quarter to three-quarters of an inch is morphologically distinctive and readily identifiable as an agricultural crop grown for the cultivation and harvesting of its fiber and seed.

(4) Hemp cultivation will enable the State of Vermont to accelerate economic growth and job creation, promote environmental stewardship, and expand export market opportunities.

(5) The federal Agricultural Act of 2014, Public Law No. 113-79 authorized the growing, cultivation, and marketing of industrial hemp, notwithstanding restrictions under the federal Controlled Substances Act, if certain criteria are satisfied.

(b) Purpose. The intent of this chapter is to establish policy and procedures for growing hemp in Vermont that comply with federal law so that farmers and other businesses in the Vermont agricultural industry can take advantage of this market opportunity.

§ 562. DEFINITIONS

As used in this chapter:

(1) [Repealed.]

(2) "Hemp products" means all products made from hemp, including cloth, cordage, fiber, food, fuel, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation.

(3) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of the plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

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

§ 563. HEMP; AN AGRICULTURAL PRODUCT

~~Hemp~~ Industrial hemp is an agricultural product ~~which~~ that may be grown as a crop~~,~~ produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter. The cultivation of industrial hemp shall be subject to and comply with ~~the requirements of~~ the required agricultural practices adopted under section 4810 of this title.

§ 564. REGISTRATION; ADMINISTRATION; PILOT PROJECT

(a) The Secretary shall establish a pilot program to research the growth, cultivation, and marketing of industrial hemp. Under the pilot program, the Secretary shall register persons who will participate in the pilot program through growing or cultivating industrial hemp. The Secretary shall certify the site where industrial hemp will be cultivated by each person registered under this chapter. A person who intends to participate in the pilot program and grow industrial hemp shall register with the Secretary and submit on a form provided by the Secretary the following:

(1) the name and address of the person;

(2) a statement that the seeds obtained for planting are of a type and variety that do not exceed the maximum concentration of tetrahydrocannabinol set forth in subdivision 562(3) of this title; and

(3) the location and acreage of all parcels sown and other field reference information as may be required by the Secretary.

(b) The form provided by the Secretary pursuant to subsection (a) of this section shall include a notice statement that~~, until current federal law is amended to provide otherwise~~:

(1) cultivation and possession of industrial hemp in Vermont is a violation of the federal Controlled Substances Act unless the industrial hemp is grown, cultivated, or marketed under a pilot program authorized by section 7606 of the federal Agricultural Act of 2014, Public Law No. 113-79; and

(2) federal prosecution for growing hemp in violation of federal law may include criminal penalties, forfeiture of property, and loss of access to federal agricultural benefits, including agricultural loans, conservation programs, and insurance programs.

(c) A person registered with the Secretary pursuant to this section shall allow industrial hemp crops, throughout sowing, growing season, harvest, storage, and processing, to be inspected and tested by and at the discretion of the Secretary or ~~his or her~~ designee. The Secretary shall retain tests and inspection information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.

(d) The Secretary may assess an annual registration fee of $25.00 for the performance of his or her duties under this chapter.

§ 566. RULEMAKING AUTHORITY

(a) The Secretary may adopt rules to provide for the implementation of this chapter and the pilot project authorized under this chapter, which may include rules to require hemp to be tested during growth for tetrahydrocannabinol levels and to require inspection and supervision of hemp during sowing, growing season, harvest, storage, and processing. The Secretary shall not adopt under this or any other section a rule that would prohibit a person to grow hemp based on the legal status of hemp under federal law.

(b) The Secretary shall adopt rules establishing how the Agency of Agriculture, Food and Markets will conduct research within the pilot program for industrial hemp.

Sec. 23. TRANSITION; IMPLEMENTATION

All persons registered prior to July 1, 2018 with the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 34 to grow or cultivate hemp shall be deemed to be registered with the Secretary of Agriculture, Food and Markets as participants in the industrial hemp pilot project established by this act under 6 V.S.A. § 564, and those previously registered persons shall not be required to reregister with the Secretary of Agriculture, Food and Markets.

Sec. 24. 6 V.S.A. § 567 is added to read:

§ 567. TEST RESULTS; ENFORCEMENT

(a) If the Secretary or a dispensary registered under 18 V.S.A. chapter 86 tests a hemp crop and the hemp has a delta-9 tetrahydrocannabinol

concentration of more than 0.3 percent on a dry weight basis, the person registered with the Secretary as growing the hemp crop shall:

(1) enter into an agreement with a dispensary registered under 18 V.S.A. chapter 86 for the separation of the delta-9 tetrahydrocannabinol from the hemp crop, return of the hemp crop to the person registered with the Secretary, and retention of the separated delta-9 tetrahydrocannabinol by the dispensary.

(2) sell the hemp crop to a dispensary registered under 18 V.S.A. chapter 86; or

(3) arrange for the Secretary to destroy or order the destruction of the hemp crop.

(b) A person registered with the Secretary as growing the hemp crop shall not be subject to civil, criminal, or administrative liability or penalty under 18 V.S.A. chapter 84 if the tested industrial hemp has a delta-9 tetrahydrocannabinol concentration of one percent or less on a dry weight basis.

Sec. 25. 18 V.S.A. § 4474e is amended to read:

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

(a) A dispensary registered under this section may:

* * *

(1) Acquire, possess, cultivate, manufacture, process, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief.

* * *

(5) Acquire, possess, manufacture, process, transfer, transport, and test hemp provided by persons registered with the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 34 to grow or cultivate hemp.

Sec. 26. 18 V.S.A. § 4474n is added to read:

§ 4474n. TESTING BY THE AGENCY OF AGRICULTURE, FOOD AND MARKETS

The Agency of Agriculture, Food and Markets shall establish a cannabis quality control program for the following purposes:

(1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, marijuana, and marijuana-infused products;

(2) to verify cannabinoid label guarantees of hemp, hemp-infused products, marijuana and marijuana-infused products;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, marijuana and marijuana-infused products; and

(4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this section.

* * * Fire Prevention and Building Code Fees * * *

Sec. 27. 20 V.S.A. § 2731(c) is amended to read:

(c) The following fire prevention and building code fees are established:

(1) The permit application fee for a construction plan approval shall be based on $8.00 per each $1,000.00 of the total valuation of the construction work proposed to be done for all buildings, but in no event shall the permit application fee exceed ~~$185,000.00~~ $130,000.00 nor be less than $50.00.

(2) When an inspection is required due to the change in use or ownership of a public building, the fee shall be $125.00.

(3) The proof of inspection fee for fire suppression, alarm, detection, and any other fire protection systems shall be $30.00.

(4) Three-year initial certificate of fitness and renewal fees for individuals performing activities related to fire or life safety established under subsection (a) of this section shall be:

* * *

(5) The Commissioner may waive all or part of a fee under this subsection if the Commissioner determines that prior review or ongoing review of the construction plan or building was suitable or completed in a manner that justifies reduction of the fee.

* * * Industrial Park Designation * * *

Sec. 28. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; INDUSTRIAL PARK DESIGNATION

(a) On or before December 15, 2018, the Secretary of Commerce and Community Development, after consultation with the Secretary of Natural Resources, the Chair of the Natural Resources Board, Regional Development Corporations, and Regional Planning Commissions, shall submit to the to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and to the House Committee on Commerce and Economic

Development, recommendations for establishing an economic development program under which defined parcels in rural areas of the State are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited within the industrial park. The report shall include:

(1) recommended criteria for establishing an industrial park in a rural area;

(2) eligibility criteria, if any, for a business to site within a designated industrial park in a rural area;

(3) recommended incentives for businesses sited within a designated industrial park in a rural area, including permitting incentives, permit fee reductions, reduced electric rates, net-metering incentives, and other regulatory incentives;

(4) recommended technical or financial assistance that a business would be eligible to receive for locating within a designated industrial park in a rural area; and

(5) draft legislation necessary to implement any recommendation.

(b) As used in this section, "rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

* * * Effective Dates * * *

Sec. 29. EFFECTIVE DATES

(a) This section and Secs. 3 and 4 (Act 250 trails designation) and 5 (Act 250 minor application; small sawmills) and 14 (wetland permit fees) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

Senator Bray, for the Committee on Natural Resources and Energy, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Agriculture with the following amendment thereto:

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

* * * Rural Economic Development Initiative * * *

Sec. 1. 10 V.S.A. § 325m is amended to read:

§ 325m. RURAL ECONOMIC DEVELOPMENT INITIATIVE

(a) Definitions. As used in this subchapter:

(1) ~~"Industrial park" means an area of land permitted as an industrial park under chapter 151 of this title or under 24 V.S.A. chapter 117, or under both.~~

~~(2)~~ "Rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

~~(3)~~(2) "Small town" means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(b) Establishment. There is created ~~within the Vermont Housing and Conservation Board a~~ the Rural Economic Development Initiative ~~to promote and facilitate~~ to be administered by the Vermont Housing and Conservation Board for the purpose of promoting and facilitating community economic development in the small towns and rural areas of the State. The Rural Economic Development Initiative shall collaborate with municipalities, businesses, ~~industrial parks,~~ regional development corporations, and other appropriate entities to access funding and other assistance available to small towns and businesses in rural areas of the State when existing State resources or staffing assistance is not available.

(c) Services; access to funding.

~~(1)~~ The Rural Economic Development Initiative shall provide the following services to small towns and businesses in rural areas:

~~(A)~~(1) identification of grant or other funding opportunities ~~available to small towns, businesses in rural areas, and industrial parks in small towns and rural areas~~ that facilitate business development, ~~siting of businesses, workforce development, broadband deployment,~~ infrastructure development, or other economic development opportunities;

~~(B)~~(2) technical assistance ~~to small towns, businesses in rural areas, and industrial parks in small towns and rural areas~~ in writing grants, accessing ~~and completing the application process for identified grants or~~ other funding ~~opportunities, including writing applications for grants or other funding~~, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other funding, and compliance with the requirements of grant awards or awards of other funding.

~~(2)~~(d) In providing services under this subsection, the Rural Economic Development Initiative shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation.

~~(d)~~(e) ~~Services; business development~~ Priority projects. The Rural Economic Development Initiative shall ~~provide small towns and rural areas with services to facilitate business development in these areas. These services shall include:~~

~~(1) Identifying businesses or business types suitable for a small town, rural areas, industrial parks in a small town or rural area, or coworker spaces or generator spaces in rural areas. In identifying businesses or business types, the Rural Economic Development Initiative shall~~ seek to assist the following priority types of projects:

~~(A) identify businesses or business types in the following priority areas:~~

~~(i)~~(1) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

~~(ii)~~(2) ~~the~~ outdoor recreation and equipment ~~or recreation industry~~ enterprises;

~~(iii)~~(3) ~~the~~ value-added food and forest products ~~industry~~ enterprises;

~~(iv)~~(4) ~~the value-added food industry~~ farm operations, including phosphorus removal technology for farm operations;

~~(v)~~(5) ~~phosphorus removal technology~~ coworking or business generator and accelerator spaces; ~~and~~

~~(vi)~~(6) commercial composting facilities; and

(7) restoration and rehabilitation of historic buildings in community centers.

~~(B) explore with a small town or rural area whether underused or closed school buildings are appropriate sites for coworker or generator spaces.~~

~~(2) Recommending available grants, tax credits, or other incentives that a small town or rural area can use to attract businesses.~~

~~(3)~~(f) In providing services under this subsection, the Rural Economic Development Initiative shall coordinate with the Secretary of Commerce and Community Development ~~in order to avoid duplication by the Rural Economic Development Initiative of business recruitment and workforce development services provided by the Agency of Commerce and Community Development~~ and regional development corporations.

~~(e)~~(g) Report. Beginning on January ~~15, 2018~~ 31, 2019, and annually thereafter, the Rural Economic Development Initiative shall submit to the

Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture and Forestry and on Commerce and Economic Development a report regarding the activities and progress of the Initiative as part of the report of the Vermont Farm and Forest Viability Program. The report shall ~~include:~~

~~(1) a summary of the Initiative's activities in the preceding calendar year;~~

~~(2) an evaluation of the effectiveness of the services provided by the Initiative to small towns, rural areas, and industrial parks;~~

~~(3) a summary of the Initiative's progress in attracting priority businesses to small towns and rural areas;~~

~~(4) an accounting of the grants or other funding that the Initiative facilitated or provided assistance with;~~

~~(5) an accounting of the funds acquired by the Rural Economic Development Initiative for administration of grants or other funding mechanisms and whether these funds are sufficient to offset the cost of the Rural Economic Development Initiative; and~~

~~(6) recommended changes to the program, including proposed legislative amendments to further economic development in small towns and rural areas in the State~~ summarize the Initiative's activities in the preceding year; evaluate the effectiveness of the services provided by the Initiative; and provide an accounting of the grants or other funding that the Initiative facilitated or helped secure.

* * * Outdoor Recreation-Friendly Community Program * * *

Sec. 2. OUTDOOR RECREATION-FRIENDLY COMMUNITY PROGRAM

(a) Establishment. The Outdoor Recreation-Friendly Community Program (Program) is created to provide incentives for communities to leverage outdoor recreation assets to foster economic growth within a town, village, city, or region of the State.

(b) Administration. The Program shall be administered by the Department of Forests, Parks and Recreation in association with the Agency of Commerce and Community Development.

(c) Selection. The Commissioner of Forests, Parks and Recreation in consultation with the Agency of Commerce and Community Development and the Vermont Outdoor Recreation Economic Collaborative steering committee shall select communities for the Program using, at minimum, the following factors:

(1) community economic need;

(2) identification of outdoor recreation as a priority in a town plan or other pertinent planning document;

(3) community commitment to an outdoor recreation vision; demonstrated support from community officials, the public, local business, and local and statewide outdoor recreation nonprofit organizations; and commitment to adhere to accepted standards and recreation ethos;

(4) a community with a good foundation of outdoor recreation assets already in place with strong potential for growth on both private and public lands;

(5) a community with good opportunities for connecting assets within the community with assets of other nearby communities;

(6) a community with an existing solid network of local supporting businesses; and

(7) community commitment to track and measure outcomes to demonstrate economic and social success.

(d) Incentives. Communities accepted into the Program shall be offered, at minimum, the following incentives:

(1) preferential consideration to become part of the Vermont Trail System;

(2) preferential consideration when applying for grant assistance through the Recreational Trails Program and the Land and Water Conservation Fund Program;

(3) access to other economic development assistance if available and appropriate; and

(4) recognition as part of a network of Outdoor Recreation-Friendly Communities connected through a common branding and adherence to high standards of quality and service.

(e) Pilot project and appropriation. The sum of $100,000.00 shall be allocated to the Agency of Commerce and Community Development to be administered in association with the Department of Forests, Parks and Recreation and used in support of pilot communities chosen by the Commissioner of Forests, Parks and Recreation to serve as a prototype for the Program. The funding may be used for the following purposes:

(1) communitywide outdoor recreation planning, including assessment, mapping, and identifying possibilities and priorities;

(2) services of consultants and other technical assistance providers;

(3) public facing mapping and other informational materials;

(4) securing access;

(5) implementation of public access improvements;

(6) stewardship;

(7) marketing; and

(8) program administration.

(f) Reports. On or before January 15, 2019, the Commissioner of Forests, Parks and Recreation shall submit a report to the General Assembly detailing the progress made with the pilot project authorized under subsection (e) of this section. On or before January 15, 2020, the Commissioner of Forests, Parks and Recreation shall submit a report to the General Assembly detailing any measurable results of economic activity growth.

* * * Electric Utility Demand Charges; Rural Towns * * *

Sec. 3. DEMAND CHARGES; REPORT

(a) On or before January 31, 2019, the Commissioner of Public Service (Commissioner), in consultation with the Secretary of Commerce and Community Development, shall submit a written report on electric utility demand charges in Vermont and their effect on the ability of industrial enterprises to locate in rural towns of the State.

(b) The Commissioner shall submit the report to the House Committees on Agriculture and Forestry, on Commerce and Community Development, and on Energy and Technology and the Senate Committees on Agriculture, on Economic Development, Housing and General Affairs, and on Finance.

(c) The report under this section shall include:

(1) a narrative summary of the terms, conditions, and rates for each demand charge tariff of each Vermont electric utility;

(2) a table that shows the rates and applicability of each such tariff, with such other information as the Commissioner may consider relevant, organized by electric utility;

(3) an analysis of the alternatives to these tariffs that will improve the ability of industrial enterprises to locate in rural towns of the State, including the use of energy efficiency, self-generation, and other measures to reduce the demand of such enterprises on the interconnecting electric utility;

(4) the Commissioner's recommendations on changes to demand charge tariffs and other methods to reduce demand that would encourage locating industrial enterprises in rural towns of the State or that would reduce or remove disincentives posed by demand charge tariffs to such locations.

(d) In this section, "rural town" shall have the same meaning as in 24 V.S.A. § 4303.

* * * Purchase and Use Tax; Forestry Equipment * * *

Sec. 4. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

(1) Motor vehicles owned or registered, or motor vehicles rented, by any state or province or any political subdivision thereof.

* * *

(23) The following motor vehicles used for timber cutting, timber removal, and processing of timber or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable, feller bunchers, cut-to-length processors, forwarders, delimbers, loader slashers, log loaders, whole-tree chippers, stationary screening systems, portable sawmills, and firewood processors, elevators, and screens.

* * * Sales and Use Tax; Tax Credit; Advanced Wood Boilers * * *

Sec. 5. 32 V.S.A. § 9701 is amended to read:

§ 9701. DEFINITIONS

Unless the context in which they occur requires otherwise, the following terms when used in this chapter mean:

* * *

(54) "Noncollecting vendor" means a vendor that sells tangible personal property or services to purchasers who are not exempt from the sales tax under this chapter, but that does not collect the Vermont sales tax.

(55) "Advanced wood boiler" means a boiler or furnace:

(A) installed as a primary central heating system;

(B) rated as high-efficiency, meaning a higher heating value or gross calorific value of 85 percent or more;

(C) containing at least one week fuel-storage, automated startup and shutdown, and fuel feed; and

(D) meeting other efficiency and air emission standards established by the Department of Environmental Conservation.

Sec. 6. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title.

* * *

(52) Advanced wood boilers, as defined in section 9701 of this title, whether for residential or commercial use.

Sec. 7. 32 V.S.A. § 5930l is added to read:

§ 5930l. ADVANCED WOOD BOILER TAX CREDIT

(a) As used in this section, "advanced wood boiler" means a boiler or furnace:

(1) installed as a primary central heating system;

(2) rated as high-efficiency, meaning a higher heating value or gross calorific value of 85 percent or more;

(3) containing at least one week fuel-storage, automated startup and shutdown, and fuel feed; and

(4) meeting other efficiency and air emission standards established by the Department of Environmental Conservation.

(b) A taxpayer of this State shall be eligible for a credit against the tax imposed under this chapter in an amount equal to 50 percent of the purchase cost of an advanced wood boiler.

(c) Any unused credit available under subsection (b) of this section may be carried forward for up to 10 years.

Sec. 8. 32 V.S.A. § 5813(w) is added to read:

(w) The statutory purpose advanced wood boiler tax credit in section 5930l of this title is to promote the forest products industry in Vermont by encouraging the purchase of modern wood heating systems.

Sec. 9. 32 V.S.A. § 9706(ll) is added to read:

(ll) The statutory purpose of the exemption for advanced wood boilers in subdivision 9741(52) of this title is to promote the forest products industry in Vermont by encouraging the purchase of modern wood heating systems.

* * * Hemp * * *

Sec. 10. PURPOSE

The purpose of Secs. 10-12 of this act is to amend the laws of Vermont regarding the cultivation of industrial hemp to conform with federal requirements for industrial hemp research set forth in section 7606 of the federal Agricultural Act of 2014, Pub. L. No. 113-79, codified at 7 U.S.C. § 5940.

Sec. 11. 6 V.S.A. chapter 34 is amended to read:

CHAPTER 34. HEMP

§ 561. FINDINGS; INTENT

(a) Findings.

(1) Hemp has been continuously cultivated for millennia, is accepted and available in the global marketplace, and has numerous beneficial, practical, and economic uses, including: high-strength fiber, textiles, clothing, ~~bio-fuel~~ biofuel, paper products, protein-rich food containing essential fatty acids and amino acids, biodegradable plastics, resins, nontoxic medicinal and cosmetic products, construction materials, rope, and value-added crafts.

(2) The many agricultural and environmental beneficial uses of hemp include: livestock feed and bedding, stream buffering, erosion control, water and soil purification, and weed control.

(3) The hemp plant, an annual herbaceous plant with a long slender stem ranging in height from four to 15 feet and a stem diameter of one-quarter to three-quarters of an inch is morphologically distinctive and readily identifiable as an agricultural crop grown for the cultivation and harvesting of its fiber and seed.

(4) Hemp cultivation will enable the State of Vermont to accelerate economic growth and job creation, promote environmental stewardship, and expand export market opportunities.

(5) The federal Agricultural Act of 2014, Pub. L. No. 113-79 authorized the growing, cultivation, and marketing of industrial hemp, notwithstanding restrictions under the federal Controlled Substances Act, if certain criteria are satisfied.

(b) Purpose. The intent of this chapter is to establish policy and procedures for growing hemp in Vermont that comply with federal law so that farmers and other businesses in the Vermont agricultural industry can take advantage of this market opportunity.

§ 562. DEFINITIONS

As used in this chapter:

(1) [Repealed.]

(2) "Hemp products" means all products made from hemp, including cloth, cordage, fiber, food, fuel, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation.

(3) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of the plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

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

§ 563. HEMP; AN AGRICULTURAL PRODUCT

~~Hemp~~ Industrial hemp is an agricultural product ~~which~~ that may be grown as a crop~~,~~ produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter. The cultivation of industrial hemp shall be subject to and comply with ~~the requirements of~~ the required agricultural practices adopted under section 4810 of this title.

§ 564. REGISTRATION; ADMINISTRATION; PILOT PROJECT

(a) The Secretary shall establish a pilot program to research the growth, cultivation, and marketing of industrial hemp. Under the pilot program, the Secretary shall register persons who will participate in the pilot program through growing or cultivating industrial hemp. The Secretary shall certify the site where industrial hemp will be cultivated by each person registered under this chapter. A person who intends to participate in the pilot program and grow industrial hemp shall register with the Secretary and submit on a form provided by the Secretary the following:

(1) the name and address of the person;

(2) a statement that the seeds obtained for planting are of a type and variety that do not exceed the maximum concentration of tetrahydrocannabinol set forth in subdivision 562(3) of this title; and

(3) the location and acreage of all parcels sown and other field reference information as may be required by the Secretary.

(b) The form provided by the Secretary pursuant to subsection (a) of this section shall include a notice statement that~~, until current federal law is amended to provide otherwise~~:

(1) cultivation and possession of industrial hemp in Vermont is a violation of the federal Controlled Substances Act unless the industrial hemp is grown, cultivated, or marketed under a pilot program authorized by section 7606 of the federal Agricultural Act of 2014, Pub. L. No. 113-79; and

(2) federal prosecution for growing hemp in violation of federal law may include criminal penalties, forfeiture of property, and loss of access to federal agricultural benefits, including agricultural loans, conservation programs, and insurance programs.

(c) A person registered with the Secretary pursuant to this section shall allow industrial hemp crops, throughout sowing, growing season, harvest, storage, and processing, to be inspected and tested by and at the discretion of the Secretary or ~~his or her~~ designee. The Secretary shall retain tests and inspection information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.

(d) The Secretary may assess an annual registration fee of $25.00 for the performance of his or her duties under this chapter.

§ 566. RULEMAKING AUTHORITY

(a) The Secretary may adopt rules to provide for the implementation of this chapter and the pilot project authorized under this chapter, which may include rules to require hemp to be tested during growth for tetrahydrocannabinol levels and to require inspection and supervision of hemp during sowing, growing season, harvest, storage, and processing. The Secretary shall not adopt under this or any other section a rule that would prohibit a person to grow hemp based on the legal status of hemp under federal law.

(b) The Secretary shall adopt rules establishing how the Agency of Agriculture, Food and Markets will conduct research within the pilot program for industrial hemp.

Sec. 12. TRANSITION; IMPLEMENTATION

All persons registered prior to July 1, 2018 with the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 34 to grow or cultivate hemp shall be deemed to be registered with the Secretary of Agriculture, Food and Markets as participants in the industrial hemp pilot project established by this act under 6 V.S.A. § 564, and those previously registered persons shall not be required to reregister with the Secretary of Agriculture, Food and Markets.

Sec. 13. 6 V.S.A. § 567 is added to read:

§ 567. TEST RESULTS; ENFORCEMENT

(a) If the Secretary or a dispensary registered under 18 V.S.A. chapter 86 tests a hemp crop and the hemp has a delta-9 tetrahydrocannabinol

concentration of more than 0.3 percent on a dry weight basis, the person registered with the Secretary as growing the hemp crop shall:

(1) enter into an agreement with a dispensary registered under 18 V.S.A. chapter 86 for the separation of the delta-9 tetrahydrocannabinol from the hemp crop, return of the hemp crop to the person registered with the Secretary, and retention of the separated delta-9 tetrahydrocannabinol by the dispensary.

(2) sell the hemp crop to a dispensary registered under 18 V.S.A. chapter 86; or

(3) arrange for the Secretary to destroy or order the destruction of the hemp crop.

(b) A person registered with the Secretary as growing the hemp crop shall not be subject to civil, criminal, or administrative liability or penalty under 18 V.S.A. chapter 84 if the tested industrial hemp has a delta-9 tetrahydrocannabinol concentration of one percent or less on a dry weight basis.

Sec. 14. 18 V.S.A. § 4474e is amended to read:

§ 4474e. DISPENSARIES; CONDITIONS OF OPERATION

(a) A dispensary registered under this section may:

(1) Acquire, possess, cultivate, manufacture, process, transfer, transport, supply, sell, and dispense marijuana, marijuana-infused products, and marijuana-related supplies and educational materials for or to a registered patient who has designated it as his or her dispensary and to his or her registered caregiver for the registered patient's use for symptom relief.

* * *

(5) Acquire, possess, manufacture, process, transfer, transport, and test hemp provided by persons registered with the Secretary of Agriculture, Food and Markets under 6 V.S.A. chapter 34 to grow or cultivate hemp.

* * *

Sec. 15. 18 V.S.A. § 4474n is added to read:

§ 4474n. TESTING BY THE AGENCY OF AGRICULTURE, FOOD AND MARKETS

The Agency of Agriculture, Food and Markets shall establish a cannabis quality control program for the following purposes:

(1) to develop potency and contaminant testing protocols for hemp, hemp-infused products, marijuana, and marijuana-infused products;

(2) to verify cannabinoid label guarantees of hemp, hemp-infused products, marijuana, and marijuana-infused products;

(3) to test for pesticides, solvents, heavy metals, mycotoxins, and bacterial and fungal contaminants in hemp, hemp-infused products, marijuana, and marijuana-infused products; and

(4) to certify testing laboratories that can offer the services in subdivisions (2) and (3) of this section.

* * * Fire Prevention and Building Code Fees * * *

Sec. 16. 20 V.S.A. § 2731(c) is amended to read:

(c) The following fire prevention and building code fees are established:

(1) The permit application fee for a construction plan approval shall be based on $8.00 per each $1,000.00 of the total valuation of the construction work proposed to be done for all buildings, but in no event shall the permit application fee exceed ~~$185,000.00~~ $130,000.00 nor be less than $50.00.

(2) When an inspection is required due to the change in use or ownership of a public building, the fee shall be $125.00.

(3) The proof of inspection fee for fire suppression, alarm, detection, and any other fire protection systems shall be $30.00.

(4) Three-year initial certificate of fitness and renewal fees for individuals performing activities related to fire or life safety established under subsection (a) of this section shall be:

* * *

(5) The Commissioner may waive all or part of a fee under this subsection if the Commissioner determines that prior review or ongoing review of the construction plan or building was suitable or completed in a manner that justifies reduction of the fee.

* * * Industrial Park Designation * * *

Sec. 17. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT; INDUSTRIAL PARK DESIGNATION

(a) On or before December 15, 2018, the Secretary of Commerce and Community Development, after consultation with the Secretary of Natural Resources, the Chair of the Natural Resources Board, Regional Development Corporations, Regional Planning Commissions, the Vermont Natural Resources Council, and the Commission on Act 250, shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and to the House Committee on Commerce and Economic

Development recommendations for establishing an economic development program under which defined parcels in rural areas of the State are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited within the industrial park. The report shall include:

(1) recommended criteria for establishing an industrial park in a rural area;

(2) eligibility criteria, if any, for a business to site within a designated industrial park in a rural area;

(3) recommended incentives for businesses sited within a designated industrial park in a rural area, including permitting incentives, permit fee reductions, reduced electric rates, net metering incentives, and other regulatory incentives;

(4) recommended technical or financial assistance that a business would be eligible to receive for locating within a designated industrial park in a rural area; and

(5) draft legislation necessary to implement any recommendation.

(b) As used in this section, "rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

* * * Effective Date * * *

Sec. 18. EFFECTIVE DATE

This act shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Agriculture, as amended by the recommendation of amendment of the Committee on Natural Resources and Energy with the following amendments thereto:

First: In Sec. 4, 32 V.S.A. § 8911, in subdivision (23), after the following "screening systems," and before the following: "and firewood processors" by striking out the following:"portable sawmills,"

Second: By striking out Secs. 5, 6, 7, 8 and 9 (advanced wood boiler sales tax exemption; income tax credit) in their entirety and inserting in lieu thereof the following:

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Third: By striking out Sec. 16 (fire prevention fees) in its entirety and inserting in lieu thereof the following:

Sec. 16. [Deleted.]

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Agriculture, as amended by the recommendation of the Committee on Natural Resources and Energy with the following amendment thereto:

In Sec. 2 (outdoor recreation friendly community program), in subsection (a), after "Establishment." and before "Outdoor Recreation Friendly Community Program" by striking out the word "The" and inserting in lieu thereof the words Upon receipt of funding, the and in subsection (e), after "Pilot project and appropriation.", by striking out the first full sentence in its entirety and inserting in lieu thereof the following:

Upon receipt of funding to create the Outdoor Recreation Friendly Community Program, the Agency of Commerce and Community Development, in association with the Department of Forests, Parks and Recreation shall approve pilot communities to serve as prototypes for the Program.

And that when so amended the bill ought to pass.

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

Thereupon, the recommendation of amendment of the Committee of amendment of the Committee on Agriculture, as amended was amended as recommended by the Committee on Finance.

Thereupon, the recommendation of amendment of the Committee on Agriculture, as amended was amended as recommended by the Committee on Appropriations.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Agriculture, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Joint Resolution Adopted in Concurrence

J.R.H. 14.

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.

Committee Relieved of Further Consideration; Bill Committed

H. 589.

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

An act relating to the reasonable and prudent parent standard,

and the bill was committed to the Committee on Health and Welfare.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Thursday, March 22, 2018.

THURSDAY, MARCH 22, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Rabbi Tobi M. Weisman of Montpelier.

Message from the House No. 33

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. 676. An act relating to miscellaneous energy subjects.

H. 736. An act relating to lead poisoning prevention.

H. 919. An act relating to workforce development.

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

Bills Referred

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

H. 676.

An act relating to miscellaneous energy subjects.

To the Committee on Finance.

H. 736.

An act relating to lead poisoning prevention.

To the Committee on Health and Welfare.

H. 919.

An act relating to workforce development.

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

Bill Passed

S. 53.

Senate bill of the following title was read the third time and passed:

An act relating to a universal, publicly financed primary care system.

Bill Passed

Senate bill entitled:

S. 85. An act relating to simplifying government for small businesses.

Was taken up.

Thereupon, the bill was read the third time and passed on a roll call, Yeas 29, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Sears.

Bill Passed

S. 253.

Senate bill of the following title was read the third time and passed:

An act relating to Vermont's adoption of the Interstate Medical Licensure Compact.

Bill Amended; Bill Passed

S. 260.

Senate bill entitled:

An act relating to funding the cleanup of State waters.

Was taken up.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill in Sec. 3, 10 V.S.A. § 1389, in subdivision (a)(1)(B)(i), by striking out the following: ", including appropriate block grant amounts from the Agency of Natural Resources' River Basin Block Grant Program" and in subdivision (d)(2), by striking out the second sentence of the subdivision in its entirety.

Which was agreed to.

Thereupon, the bill was read the third time and passed, on a roll call, Yeas 29, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Sears.

Bill Passed

S. 262.

Senate bill of the following title was read the third time and passed:

An act relating to miscellaneous changes to the Medicaid program and the Department of Vermont Health Access.

Bill Amended; Bill Passed

S. 276.

Senate bill entitled:

An act relating to rural economic development.

Was taken up.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill by adding a new section to be numbered Sec. 2a and its reader assistance as follows:

* * * Environmental Permitting Fees * * *

Sec. 2a. 3 V.S.A. § 2822(j) is amended to read:

(j) In accordance with subsection (i) of this section, the following fees are established for permits, licenses, certifications, approvals, registrations, orders, and other actions taken by the Agency of Natural Resources.

* * *

(26) For individual conditional use determinations, for individual wetland permits, for general conditional use determinations issued under 10 V.S.A. § 1272, or for wetland authorizations issued under a general permit, an administrative processing fee assessed under subdivision (2) of this subsection ~~(j)~~ and an application fee of:

(A) $0.75 per square foot of proposed impact to Class I or II wetlands.

(B) $0.25 per square foot of proposed impact to Class I or II wetland buffers.

(C) Maximum fee, for the conversion of Class II wetlands or wetland buffers to cropland use or for installation of a pipeline in a wetland for the transport of manure for the purposes of farming, as that term is defined in 10 V.S.A. § 6001(22), $200.00 per application. As used in this subdivision,

"cropland" means land that is used for the production of agricultural crops, including row crops, fibrous plants, pasture, fruit-bearing bushes, trees, or vines, and the production of Christmas trees.

* * *

Which was agreed to.

Thereupon, the bill was read the third time and passed.

Bill Passed

S. 281.

Senate bill of the following title was read the third time and passed:

An act relating to the Systemic Racism Mitigation Oversight and Equity Review Board.

Adjournment

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

FRIDAY, MARCH 23, 2018

The Senate was called to order by the President.

Devotional Exercises

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

Message from the House No. 34

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. 404. An act relating to Medicaid reimbursement for long-acting reversible contraceptives.

H. 429. An act relating to establishment of a communication facilitator program.

H. 560. An act relating to household products containing hazardous substances.

H. 777. An act relating to the Clean Water State Revolving Loan Fund.

H. 780. An act relating to portable rides at agricultural fairs, field days, and other similar events.

H. 785. An act relating to Wastewater Systems and potable water supplies lending.

H. 911. An act relating to changes in Vermont's personal income tax and education financing system.

H. 913. An act relating to boards and commissions.

H. 917. An act relating to the Transportation Program and miscellaneous changes to transportation-related law.

H. 920. An act relating to the authority of the Agency of Digital Services.

H. 921. An act relating to nursing home oversight.

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. 169. An act relating to nonresident clergy authorized to solemnize marriages.

S. 291. An act relating to the annual town meeting of the unified towns and gores of Essex County and to the appraisers and supervisors of all unorganized towns and gores.

And has passed the same in concurrence.

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

J.R.S. 52. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Bills Referred

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

H. 404.

An act relating to Medicaid reimbursement for long-acting reversible contraceptives.

To the Committee on Health and Welfare.

H. 429.

An act relating to establishment of a communication facilitator program.

To the Committee on Finance.

H. 560.

An act relating to household products containing hazardous substances.

To the Committee on Health and Welfare.

H. 777.

An act relating to the Clean Water State Revolving Loan Fund.

To the Committee on Natural Resources and Energy.

H. 780.

An act relating to portable rides at agricultural fairs, field days, and other similar events.

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

H. 785.

An act relating to Wastewater Systems and potable water supplies lending.

To the Committee on Natural Resources and Energy.

H. 911.

An act relating to changes in Vermont's personal income tax and education financing system.

To the Committee on Finance.

H. 913.

An act relating to boards and commissions.

To the Committee on Government Operations.

H. 917.

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

To the Committee on Transportation.

Bills Referred

House bill entitled:

H. 920. An act relating to the authority of the Agency of Digital Services.

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

House bill entitled:

H. 921. An act relating to nursing home oversight.

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

Bill Amended; Third Reading Ordered

S. 94.

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

An act relating to promoting remote work and flexible work arrangements.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. chapter 151, subchapter 11P is added to read:

Subchapter 11P. New Remote Worker Tax Credit

§ 5930pp. NEW REMOTE WORKER TAX CREDIT

(a) As used in this section:

(1) "New remote worker" means an individual who:

(A) is a full-time employee of a business with its domicile or primary place of business outside Vermont;

(B) becomes a full-time resident of this State on or after January 1, 2019; and

(C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(2) "Qualifying remote worker expenses" means a new remote worker's actual costs incurred for one or more of the following that are necessary to perform his or her employment duties:

(A) relocation to this State;

(B) computer software and hardware;

(C) broadband access or upgrade; and

(D) membership in a co-working or similar space.

(b)(1) A new remote worker shall be eligible for a nonrefundable credit against the income tax liability imposed under this chapter for qualifying

remote worker expenses in the amount of not more than $2,000.00 per year for up to five years, not to exceed $10,000.00 per new remote worker.

(2)(A) The Agency of Commerce and Community Development shall develop a process to certify new remote workers for eligibility for a credit under this section.

(B) Upon certifying that a new remote worker meets the eligibility requirements of this section and his or her qualifying expenses for a tax year, the Agency shall issue to the new remote worker a credit certificate for the amount of his or her qualifying expenses, which the new remote worker shall file with his or her tax return.

(3) The Agency shall annually award credit certificates on a first-come, first-served basis, up to $250,000.00 in total credits per year.

(c) A new remote worker may:

(1) first claim a credit under this section in the tax year following the year in which he or she becomes a resident of this State;

(2) claim an additional credit in each of the subsequent four tax years, provided he or she remains a resident of this State and a full-time remote worker; and

(3) carry forward the amount of any unused credit for five tax years.

(d) The Agency of Commerce and Community Development shall:

(1) promote awareness of the new remote worker tax credit authorized in this section; and

(2) adopt measurable goals, performance measures that demonstrate results, and an audit strategy to assess the utilization and performance of the credit authorized in this section.

Sec. 2. IMPROVING INFRASTRUCTURE AND SUPPORT FOR REMOTE WORK IN VERMONT; STUDY; REPORT

(a) The Secretary of Commerce and Community Development, in consultation with the Commissioners of Labor, of Public Service, and of Buildings and General Services, and other interested stakeholders, shall identify and examine the infrastructure improvements and other support needed to enhance the ability of businesses to establish a remote presence in Vermont and to allow Vermonters and businesses developing from maker spaces, co-working spaces, remote work hubs, and innovation spaces to work and provide services remotely.

(b) Based on his or her findings, and in consultation with the Commissioners of Labor, of Public Service, and of Buildings and General Services, and other interested stakeholders, the Secretary shall design a program to address the needs identified pursuant to subsection (a) of this section.

(c) Specifically, the program shall:

(1) address the infrastructure needs of remote workers and businesses developing from generator spaces;

(2) promote and facilitate the use of remote worksites and maker spaces, co-working spaces, remote work hubs, and innovation spaces;

(3) encourage out-of-state companies to use remote workers in Vermont;

(4) reduce the administrative and regulatory burden on businesses employing remote workers in Vermont;

(5) increase the ease of start-up companies finding remote work or maker spaces, co-working spaces, remote work hubs, and innovation spaces in the State; and

(6) support the interconnection of current and future maker spaces, co-working spaces, remote work hubs, and innovation spaces in this State.

(d) On or before January 15, 2019, the Secretary shall submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a written report detailing:

(1) his or her findings, program, and any recommendations for legislative action to implement the program; and

(2) any additional policy changes to improve the climate for remote workers, including zoning measures, insurance and liability issues, workforce training needs, broadband access, access to co-working spaces, and an assessment of environmental implications of working remotely.

Sec. 3. INTEGRATED PUBLIC-PRIVATE STATE WORKSITES

(a) The Secretary of Administration, in consultation with the Secretary of Commerce and Community Development and the Commissioner of Buildings and General Services, shall examine the potential for the State to establish remote worksites that are available for use by both State employees and remote workers in the private sector.

(b) The Secretary shall examine the feasibility of and potential funding models for the worksites, including the opportunity to provide at low or no

cost co-work space within State buildings that is currently vacant or underutilized.

(c) On or before January 15, 2019, the Secretary shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs detailing his or her findings and any recommendations for legislative action.

Sec. 4. BROADBAND AVAILABILITY FOR REMOTE WORKERS

On or before January 15, 2019, the Director of Telecommunications and Connectivity, in consultation with the Agency of Commerce and Community Development, shall submit with the annual report required by 30 V.S.A. § 202e findings and recommendations concerning:

(1) the current availability of broadband service in municipal downtown centers that do, or could at reasonable cost, support one or more co-working spaces or similar venues for remote workers and small businesses; and

(2) strategies for expanding and enhancing broadband availability for such spaces.

Sec. 5. EFFECTIVE DATES

(a) This section and Secs. 2–4 shall take effect on passage.

(b) Sec. 1 (new remote worker tax credit) shall take effect on the date specified in H.924 (2018) as enacted.

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

An act relating to promoting remote work.

And that when so amended the bill ought to pass.

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

In Sec. 1, in 32 V.S.A. § 5930pp(b)(3) by striking out "$1,000,000.00" and inserting in lieu thereof $250,000.00

And that when so amended the bill ought to pass.

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

By striking out Sec. 1 in its entirety and inserting a new Sec. 1 to read:

Sec. 1. NEW REMOTE WORKER GRANT PROGRAM

(a) As used in this section:

(1) "New remote worker" means an individual who:

(A) is a full-time employee of a business with its domicile or primary place of business outside Vermont;

(B) becomes a full-time resident of this State on or after January 1, 2019; and

(C) performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(2) "Qualifying remote worker expenses" means a new remote worker's actual costs incurred for one or more of the following that are necessary to perform his or her employment duties:

(A) relocation to this State;

(B) computer software and hardware;

(C) broadband access or upgrade; and

(D) membership in a co-working or similar space.

(b)(1) The Agency of Commerce and Community Development shall have the authority to design and implement the New Remote Worker Grant Program, which shall include a process to certify new remote workers and certify qualifying expenses for a grant under this section.

(2) A new remote worker may be eligible for a grant under the Program for qualifying remote worker expenses in the amount of not more than $2,000.00 per year for up to five years, not to exceed $10,000.00 per new remote worker.

(3) The Agency may annually award grants under the Program on a first-come, first-served basis, up to $250,000.00 in total grants per year, subject to available funding.

(c) If the Agency implements the Program pursuant to this section, it shall:

(1) promote awareness of the Program; and

(2) adopt measurable goals, performance measures that demonstrate results, and an audit strategy to assess the utilization and performance of the Program.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question Shall the recommendation of amendment of the Committee on Economic Development, Housing and General Affairs be amended as recommended by the Committee on Finance?, Senator Lyons requested and was granted leave to withdraw the recommendation of amendment of the Committee on Finance.

Thereupon, pending the question Shall the recommendation of amendment of the Committee on Committee on Economic Development, Housing and General Affairs, be amended as recommended by the Committee on Appropriations, Senator Starr requested and was granted leave to withdraw the recommendation of amendment of the Committee on Appropriations.

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

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 30, Nays 0.

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

Roll Call

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

Those Senators who voted in the negative were: None.

Bill Amended; Third Reading Ordered

S. 257.

Senator Baruth, for the Committee on Education, to which was referred Senate bill entitled:

An act relating to miscellaneous changes to education law.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Out-of-state Independent Schools * * *

Sec. 1. 16 V.S.A. § 822 is amended to read:

§ 822. SCHOOL DISTRICT TO MAINTAIN PUBLIC HIGH SCHOOLS OR PAY TUITION

(a) Each school district shall maintain one or more approved high schools in which high school education is provided for its resident students unless:

(1) the electorate authorizes the school board to close an existing high school and to provide for the high school education of its students by paying tuition to a public high school, an approved independent high school, or an independent school meeting education quality standards, to be selected by the parents or guardians of the student~~, within or outside the State~~; or

* * *

Sec. 2. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

(a) A school district shall not pay the tuition of a student except to:

(1) a public school~~,~~;

(2) an approved independent school~~,~~ in Vermont;

(3) an independent school in Vermont meeting education quality standards~~,~~;

(4) a tutorial program approved by the State Board~~,~~;

(5) an approved education program~~, or~~;

(6) an independent school in another state ~~or country~~ approved under the laws of that state ~~or country, nor shall payment~~ that is either:

(A) contiguous to Vermont; or

(B) in a state that pays publicly funded tuition for its resident students to attend a public or approved independent school in Vermont; or

(7) a school to which a student on an individualized education plan has been referred or placed by the student's individualized education plan team or local education agency.

(b) Payment of tuition on behalf of a person shall not be denied on account of age.

(c) Unless otherwise provided, a person who is aggrieved by a decision of a school board relating to eligibility for tuition payments, the amount of tuition payable, or the school he or she may attend, may appeal to the State Board and its decision shall be final.

Sec. 3. TRANSITION

Notwithstanding Sec. 2 of this act, a school district may pay tuition on behalf of a student to an approved independent school that is located in a state

that is not contiguous to Vermont or in a state that does not pay publicly funded tuition for its resident students to attend a public or approved independent school in Vermont if, during the 2017-2018 school year, the student attended that school; provided that tuition shall be paid for no more than four years after enactment of this act.

* * * Dual Enrollment; Parochial Schools * * *

Sec. 4. 16 V.S.A. § 944 is amended to read:

§ 944. DUAL ENROLLMENT PROGRAM

(a) Program creation. There is created ~~a~~ the statewide Dual Enrollment Program to be a potential component of a student's flexible pathway. The Program shall include college courses offered on the campus of an accredited postsecondary institution and college courses offered by an accredited postsecondary institution on the campus of a secondary school. The Program may include online college courses or components.

(b) Students.

(1) A Vermont resident who has completed grade 10 but has not received a high school diploma is eligible to participate in the Program if:

(A) the student:

(i) is enrolled in:

(I) a Vermont public school, including a Vermont career technical center;

(II) a public school in another state or an approved independent school that is designated as the public secondary school for the student's district of residence; or

(III) an approved independent school in Vermont ~~to which the student's district of residence pays publicly funded tuition on behalf of the student~~;

(ii) is assigned to a public school through the High School Completion Program; or

(iii) is a home study student;

* * *

* * * Child Abuse and Neglect Hotline * * *

Sec. 5. 16 V.S.A. § 914 is added to read:

§ 914. CHILD ABUSE AND NEGLECT HOTLINE

Each public school and each independent school shall post, in a place clearly visible to students and on its website, the toll-free telephone number operated by the Department for Children and Families to receive reports of child abuse and neglect and directions for accessing the office of the Department for Children and Families. The postings shall be in English and Spanish.

* * * Postsecondary Educational Institutions; Closing * * *

Sec. 6. 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.

* * *

(d) When an institution of higher education is unable or unwilling to comply substantially with the record preparation and delivery requirements of subsection (a) of this section, the State Board shall bring an action in Superior Court to compel compliance with this section, and may in a proper case obtain temporary custody of 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) ~~The Association of Vermont Independent Colleges (AVIC) shall maintain a memorandum of understanding with each of its member colleges under which each member college agrees to:~~

~~(1) 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~~

~~(2) 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.~~ If an institution of higher education is placed on probation for financial reasons by its accrediting agency, the institution shall, not later than two days after learning that it has been placed on probation, inform the State Board of Education of its status, and not later than 90 days after being place on probation, shall submit a student record plan to the State Board for approval.

(2) The student record plan shall include an agreement with an institution of higher education or other entity to act as a repository for the institution's records with funds set aside, if necessary, for the permanent maintenance of the student records.

(3) If the State Board does not approve the plan, the State may take action under subsections (d) and (e) of this section.

* * * Interstate School District * * *

Sec. 7. INTERSTATE SCHOOL DISTRICT

In order to increase educational opportunities for students in the Stamford school district, and given the geographic and other challenges involved in merging the Stamford school district with another Vermont school district, the General Assembly supports the creation of an interstate school district that would combine the Stamford school district with the Clarksburg, Massachusetts, school district.

* * * Elections to Unified Union School District Board * * *

Sec. 8. ELECTIONS TO UNIFIED UNION SCHOOL DISTRICT BOARD

(a) Notwithstanding any provision to the contrary, the election of a director on the board of a unified union school district who is to serve on the board after expiration of the term for an initial director shall be held at the unified union school district's annual meeting in accordance with the district's articles of agreement.

(b) Notwithstanding any provision to the contrary, if a vacancy occurs on the board of a unified union school district and the vacancy is in a seat that is allocated to a specific town, the clerk shall immediately notify the selectboard of the town. Within 30 days after the receipt of that notice, the unified union school district board, in consultation with the selectboard, shall appoint a person who is otherwise eligible to serve as a member of the unified union school district board to fill the vacancy until an election is held in accordance with the unified union school district's articles of agreement.

(c) This section is repealed on July 1, 2019.

* * * Technical Correction * * *

Sec. 9. 16 V.S.A. § 4015 is amended to read:

§ 4015. SMALL SCHOOL SUPPORT

(a) In this section:

* * *

(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.

* * *

* * * Prekindergarten Education * * *

Sec. 10. 16 V.S.A. § 829 is amended to read:

§ 829. PREKINDERGARTEN EDUCATION

(a) Definitions. As used in this section:

(1) "Prekindergarten child" means a child who, as of the date established by the district of residence for kindergarten eligibility, is:

(A) three or four years of age or is five years of age but is not yet eligible to be enrolled in kindergarten; or

(B) five years of age but is not yet enrolled in kindergarten if the child is on an individualized education program or a plan under Section 504 of the Rehabilitation Act of 1973 and the child's individualized education program team or evaluation and planning team recommends that the child receive prekindergarten education services.

(2) "Prekindergarten education" means services designed to provide to prekindergarten children developmentally appropriate early development and learning experiences based on Vermont's early learning standards.

(3) "~~Prequalified private~~ Private provider" means a private provider of prekindergarten education that is ~~qualified pursuant to subsection (c) of this section~~ regulated as a center-based child care program or family child care home to provide child care by the Child Development Division of the Department for Children and Families.

(4) "Public provider" means a provider of prekindergarten education that is a school district.

(b) Access to publicly funded prekindergarten education.

(1) ~~No~~ Not fewer than ten hours per week of publicly funded prekindergarten education shall be available for 35 weeks annually to each prekindergarten child whom a parent or guardian wishes to enroll in an available~~, prequalified~~ prekindergarten education program ~~operated by a public school or a private provider~~.

(2) If a parent or guardian chooses to enroll a prekindergarten child in an available~~, prequalified~~ prekindergarten education program, then, pursuant to the parent or guardian's choice, the ~~school district of residence~~ Secretary shall~~:~~

~~(A)~~ pay tuition pursuant to ~~subsections (d) and (h)~~ subsection (d) of this section upon the request of the parent or guardian to:

~~(i)~~(A) a ~~prequalified~~ private provider located in Vermont; or

~~(ii)~~(B) a Vermont public school that operates a prekindergarten education program whether located inside or outside the district ~~that operates a prekindergarten program that has been prequalified pursuant to subsection (c) of this section; or~~

~~(B) enroll the child in the prekindergarten education program that it operates~~ in which the child resides.

(3) ~~If requested by the parent or guardian of a prekindergarten child, the school district of residence shall pay tuition to a prequalified program operated by a private provider or a public school in another district even if the district of residence operates a prekindergarten education program.~~

~~(4) If the supply of prequalified private and public providers is insufficient to meet the demand for publicly funded prekindergarten education in any region of the State, nothing~~ Nothing in this section shall be construed to require the State or a district to begin or expand a prekindergarten education program to satisfy ~~that~~ demand~~; but rather, in collaboration with the Agencies of Education and of Human Services, the local Building Bright Futures Council shall meet with school districts and private providers in the region to develop a regional plan to expand capacity~~ for prekindergarten education.

(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~~ Provider qualification. In order to be eligible for tuition payments:

(1) A ~~program of prekindergarten education, whether provided by a school district or a private provider, shall have received~~ private provider shall meet minimum program quality by:

(A) having 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 a plan to get to at least two points in each of the five arenas; or~~ and

~~(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 with at least two points in each of the five arenas in no more than three years, and the provider has met intermediate milestones.~~

(B)(i) for a private provider that is regulated as a center-based child care program, employing or contracting for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title who is present at the private provider's program site during the hours that are publicly funded; or

(ii) for a private provider that is regulated as a family child care home that is not licensed and endorsed in early childhood education or early childhood special education, employing or contracting for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title for at least three hours per week during each of the 35 weeks per year in which prekindergarten education is paid for with publicly funded tuition to provide regular, active supervision and training of the private provider's staff.

(2) A ~~licensed~~ public provider shall ~~employ or contract~~ meet minimum program quality by:

(A) employing or contracting for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title to provide direct instruction during the hours that are publicly funded; and

(B) meeting safety and quality rules adopted by the State Board of Education.

~~(3) A registered home provider that is not licensed and endorsed in early childhood education or early childhood special education shall receive regular, active supervision and training from a teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title.~~

(d) Tuition, ~~budgets~~ payments, and average daily membership.

(1) On behalf of a ~~resident~~ prekindergarten child, ~~a district~~ the Secretary shall pay tuition for prekindergarten education for ten hours per week for 35 weeks annually to a ~~prequalified~~ private provider or to a public ~~school outside the district that is prequalified pursuant to subsection (c) of this section; provided, however, that the district shall pay tuition for weeks that are within the district's academic year~~ provider. ~~Tuition~~ Notwithstanding subsection 4025(d) of this title, tuition paid under this section shall be paid from the Education Fund at a statewide rate, which may be adjusted regionally, that is established annually through a process ~~jointly~~ developed and implemented by the ~~Agencies~~ Agency of Education ~~and of Human Services~~. ~~A district shall pay tuition upon~~ The Secretary shall establish procedures for payment of tuition to public and private providers that require, at a minimum, receiving:

(A) ~~receiving~~ annual notice from the child's parent or guardian that the child ~~is or will be admitted to the~~ chooses to participate in a publicly funded prekindergarten education program operated by the ~~prequalified~~ public or private provider ~~or the other district~~; ~~and~~

(B) concurrent ~~enrollment of the prekindergarten child in the district of residence for purposes of budgeting and determining average daily membership~~ notice from the public or private provider that the child is enrolled in its program; and

(C) a request for reimbursement from the public or private provider that reports enrollment for the period covered by the request and certifies that the provider is eligible for public funding under subsection (c) of this section for the period covered by the request.

~~(2) In addition to any direct costs of operating a prekindergarten education program, a district of residence shall include anticipated tuition payments and any administrative, quality assurance, quality improvement, transition planning, or other prekindergarten-related costs in its annual budget presented to the voters.~~

~~(3)~~ Pursuant to subdivision 4001(1)(C) of this title, ~~the district of residence~~ a district in which the child resides may include within its average daily membership any prekindergarten child for whom it has provided prekindergarten education ~~or on whose behalf it has paid tuition pursuant to this section~~ in excess of ten hours per week for 35 weeks annually and the district shall not charge tuition for these educational services.

~~(4)~~(3) A ~~prequalified~~ private provider, or a public provider that is not the child's district of residence, may receive additional payment directly from the parent or guardian only for prekindergarten education in excess of the publicly funded hours paid for ~~by the district~~ pursuant to this ~~section~~ subsection or for child care services, or both. The provider is not bound by the statewide rate established in this subsection when determining the rates it will charge the parent or guardian for these excess hours. A provider shall not impose additional fees for the publicly funded hours.

(e) Rules. The Secretary of Education ~~and the Commissioner for Children and Families shall jointly develop and agree to rules and present them~~ shall propose rules to the State Board for adoption under 3 V.S.A. chapter 25 as follows:

~~(1) To permit private providers that are not prequalified pursuant to subsection (c) of this section to create new or continue existing partnerships with school districts through which the school district provides supports that enable the provider to fulfill the requirements of subdivision (c)(2) or (3), and through which the district may or may not make in-kind payments as a component of the statewide tuition established under this section.~~

~~(2) To authorize a district to begin or expand a school-based prekindergarten education program only upon prior approval obtained through a process jointly overseen by the Secretaries of Education and of Human Services, which shall be based upon analysis of the number of prekindergarten children residing in the district and the availability of enrollment opportunities with prequalified private providers in the region. Where the data are not clear or there are other complex considerations, the Secretaries may choose to conduct a community needs assessment.~~

~~(3) To require that the school district provides opportunities for effective parental participation in the prekindergarten education program.~~

~~(4) To establish a process by which:~~

~~(A) a parent or guardian notifies the district that the prekindergarten child is or will be admitted to a prekindergarten education program not operated by the district and concurrently enrolls the child in the district pursuant to subdivision (d)(1) of this section;~~

~~(B) a district:~~

~~(i) pays tuition pursuant to a schedule that does not inhibit the ability of a parent or guardian to enroll a prekindergarten child in a prekindergarten education program or the ability of a prequalified private provider to maintain financial stability; and~~

~~(ii) enters into an agreement with any provider to which it will pay tuition regarding quality assurance, transition, and any other matters; and~~

~~(C) a provider that has received tuition payments under this section on behalf of a prekindergarten child notifies a district that the child is no longer enrolled.~~

~~(5) To establish a process to calculate an annual statewide tuition rate that is based upon the actual cost of delivering ten hours per week of prekindergarten education that meets all established quality standards and to allow for regional adjustments to the rate.~~

~~(6) [Repealed.]~~

~~(7) To require a district to include identifiable costs for prekindergarten programs and essential early education services in its annual budgets and reports to the community.~~

~~(8) To require a district to report to the Agency of Education annual expenditures made in support of prekindergarten education, with distinct figures provided for expenditures made from the General Fund, from the Education Fund, and from all other sources, which shall be specified.~~

~~(9) To provide an administrative process for:~~

~~(A) a parent, guardian, or provider to challenge an action of a school district or the State when the complainant believes that the district or State is in violation of State statute or rules regarding prekindergarten education; and~~

~~(B) a school district to challenge an action of a provider or the State when the district believes that the provider or the State is in violation of State statute or rules regarding prekindergarten education.~~

~~(10) To establish a system by which the Agency of Education and Department for Children and Families shall jointly monitor and evaluate~~

~~prekindergarten education programs to promote optimal results for children that support the relevant population-level outcomes set forth in 3 V.S.A. § 2311 and to collect data that will inform future decisions. The Agency and Department shall be required to report annually to the General Assembly in January. At a minimum, the system shall monitor and evaluate:~~

~~(A) programmatic details, including the number of children served, the number of private and public programs operated, and the public financial investment made to ensure access to quality prekindergarten education;~~

~~(B) the quality of public and private prekindergarten education programs and efforts to ensure continuous quality improvements through mentoring, training, technical assistance, and otherwise; and~~

~~(C) the results for children, including school readiness and proficiency in numeracy and literacy.~~

~~(11) To establish a process for documenting the progress of children enrolled in prekindergarten education programs and to require public and private providers to use the process to:~~

~~(A) help individualize instruction and improve program practice; and~~

~~(B) collect and report child progress data to the Secretary of Education on an annual basis.~~

(1) To require that the Secretary provide opportunities for effective parental participation in the prekindergarten education program.

(2) To establish a process by which tuition payments are requested and made that includes the conditions in subdivisions (d)(1)(A)–(C) of this section.

(3) To establish a process to calculate an annual statewide tuition rate that is based upon the actual cost of delivering ten hours per week of prekindergarten education meeting all established quality standards and to allow for regional adjustments to the rate.

(4) To provide an administrative process for:

(A) a parent or guardian to challenge a provider's action or inaction with respect to enrollment or billing; and

(B) a provider to appeal a decision of the Secretary not to pay a request for reimbursement.

(5) To establish a system by which the Secretary shall evaluate implementation of publicly funded prekindergarten education programs to promote optimal results for children that support the relevant population-level outcomes set forth in 3 V.S.A. § 2311 and collect data that will inform future

decisions. The Secretary shall report annually to the General Assembly in January on the prior year. At a minimum, the system shall evaluate:

(A) programmatic details, including the total number of children enrolled and the number of children enrolled in private programs and in public programs, the number of private and public programs operated, and the public financial investment made to ensure access to quality prekindergarten education;

(B) the quality criteria of public and private kindergarten education programs, training, and technical assistance; and

(C) the results for children, including school readiness, proficiency in numeracy and literacy, and social and emotional development.

(6) To establish a process for documenting the progress of children enrolled in publicly funded prekindergarten education programs and to require public and private providers to use the process to:

(A) help individualize instruction and improve program practice; and

(B) collect and report child progress data as required by the Secretary on an annual basis.

(7) To establish safety and quality requirements for public providers. In establishing these safety and quality requirements, the Secretary shall consult with the Agency of Human Services and recommend to the State Board safety and quality requirements that align with the requirements for private providers, except to the extent that the Secretary determines that there are compelling reasons that are unique to the public school environment that justify applying different requirements.

(f) ~~Other provisions of law. Section 836 of this title shall not apply to this section~~.

~~(g)~~ Limitations. Nothing in this section shall be construed to permit or require payment of public funds to a private provider of prekindergarten education in violation of Chapter I, Article 3 of the Vermont Constitution or in violation of the Establishment Clause of the U.S. Constitution.

~~(h) Geographic limitations.~~

~~(1) Notwithstanding the requirement that a district pay tuition to any prequalified public or private provider in the State, a school board may choose to limit the geographic boundaries within which the district shall pay tuition by paying tuition solely to those prequalified providers in which parents and guardians choose to enroll resident prekindergarten children that are located within the district's "prekindergarten region" as determined in subdivision (2) of this subsection.~~

~~(2) For purposes of this subsection, upon application from the school board, a district's prekindergarten region shall be determined jointly by the Agencies of Education and of Human Services in consultation with the school board, private providers of prekindergarten education, parents and guardians of prekindergarten children, and other interested parties pursuant to a process adopted by rule under subsection (e) of this section. A prekindergarten region:~~

~~(A) shall not be smaller than the geographic boundaries of the school district;~~

~~(B) shall be based in part upon the estimated number of prekindergarten children residing in the district and in surrounding districts, the availability of prequalified private and public providers of prekindergarten education, commuting patterns, and other region-specific criteria; and~~

~~(C) shall be designed to support existing partnerships between the school district and private providers of prekindergarten education.~~

~~(3) If a school board chooses to pay tuition to providers solely within its prekindergarten region, and if a resident prekindergarten child is unable to access publicly funded prekindergarten education within that region, then the child's parent or guardian may request and in its discretion the district may pay tuition at the statewide rate for a prekindergarten education program operated by a prequalified provider located outside the prekindergarten region.~~

~~(4) Except for the narrow exception permitting a school board to limit geographic boundaries under subdivision (1) of this subsection, all other provisions of this section and related rules shall continue to apply.~~

Sec. 11. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

(1) "Average daily membership" of a school district, or if needed in order to calculate the appropriate homestead tax rate, of the municipality as defined in 32 V.S.A. § 5401(9), in any year means:

* * *

(C) The full-time equivalent enrollment for each prekindergarten child ~~as follows: If a child is enrolled in 10 or more hours of prekindergarten education per week or receives 10 or more hours of essential early education services per week, the child shall be counted as one full-time equivalent pupil. If a child is enrolled in six or more but fewer than 10 hours of prekindergarten education per week or if a child receives fewer than 10 hours of essential early education services per week, the child shall be counted as a percentage of one~~

~~full-time equivalent pupil, calculated as one multiplied by the number of hours per week divided by ten. A child enrolled in prekindergarten education for fewer than six hours per week shall not be included in the district's average daily membership~~ enrolled in excess of ten hours in a public school in the district in which the child resides prorated to reflect the hours of education provided by the school up to an additional ten hours. There is no limit on the total number of children who may be enrolled in prekindergarten education or who receive essential early education services.

* * *

Sec. 12. 33 V.S.A. § 3502 is amended to read:

§ 3502. CHILD CARE FACILITIES; SCHOOL AGE CARE IN PUBLIC SCHOOLS; 21ST CENTURY FUND

(a) Unless exempted under subsection (b) of this section, a person shall not operate a child care facility without a license, or operate a family child care home without registration from the Department.

(b) The following persons are exempted from the provisions of subsection (a) of this section:

* * *

(5) an after-school program that serves students in one or more grades from kindergarten through secondary school, that receives funding through the 21st Century Community Learning Centers program, and that is overseen by the Agency of Education, unless the after-school program asks to participate in the child care subsidy program; and

(6) a public provider of prekindergarten education, as defined under 16 V.S.A. § 829(a)(4), unless the public provider participates in the child care subsidy program.

* * *

Sec. 13. 16 V.S.A. § 11 is amended to read:

§ 11. CLASSIFICATIONS AND DEFINITIONS

(a) As used in this title, unless the context otherwise clearly requires:

* * *

(31) "Early childhood education," "early education," or "prekindergarten education" means services designed to provide developmentally appropriate early development and learning experiences based on Vermont's early learning standards to ~~children~~ a child who ~~are three~~

~~to four years of age and to five-year-old children who are not eligible for or enrolled in kindergarten~~ is:

(A) three or four years of age or is five years of age but is not yet eligible to be enrolled in kindergarten; or

(B) five years of age but is not yet enrolled in kindergarten if the child is on an individualized education program or a plan under Section 504 of the Rehabilitation Act of 1973 and the child's individualized education program team or evaluation and planning team recommends that the child receive prekindergarten education services.

* * *

* * * School Radon Mitigation Study Committee * * *

Sec. 14. SCHOOL RADON MITIGATION STUDY COMMITTEE

(a) Creation. There is created the School Radon Mitigation Study Committee to explore funding opportunities for the mitigation of elevated radon concentrations in schools and contingency plans for the loss of related federal funding.

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

(1) the State Treasurer or designee;

(2) the Secretary of Education or designee;

(3) the Commissioner of Health or designee;

(4) a member appointed by the State School Boards Association;

(5) a member appointed by the Vermont Superintendents Association;

(6) a member appointed by the Vermont Independent Schools Association; and

(7) a radon mitigation professional certified for testing and mitigation by the National Radon Proficiency Program, appointed by the Director of the Department of Labor's Workers' Compensation and Safety Division.

(c) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Education.

(d) Report. On or before December 15, 2018, the Committee shall submit a written report to the House and Senate Committees on Education containing viable options for funding the mitigation of elevated radon concentrations in schools.

(e) Meetings.

(1) The State Treasurer or designee shall call the first meeting of the Committee to occur on or before October 1, 2018.

(2) The Committee shall select a chair from among its members at the first meeting.

(3) The Committee shall cease to exist on December 31, 2018.

(f) Compensation and reimbursement. 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 not more than four meetings. These payments shall be made from monies appropriated to the Agency of Education.

* * * Effective Dates * * *

Sec. 15. EFFECTIVE DATES

(a) Secs. 9-13 shall take effect on July 1, 2019.

(b) The remaining sections shall take effect on July 1, 2018.

And that when so amended the bill ought to pass.

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Education?, Senators Baruth, Balint, Benning, Branagan, Bray and Ingram moved to amend the recommendation of the Committee on Education as follows:

First: In Sec. 2, 16 V.S.A. § 828, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) A school district shall not pay the tuition of a student except to:

(1) a public school~~,~~;

(2) an approved independent school~~,~~ in Vermont;

(3) an independent school in Vermont meeting education quality standards~~,~~;

(4) a tutorial program approved by the State Board~~,~~;

(5) an approved education program~~, or~~;

(6) an independent school in another state ~~or country~~ approved under the laws of that state ~~or country, nor shall payment~~ that is either:

(A) contiguous to Vermont; or

(B) in a state that pays publicly funded tuition for its resident students to attend a public or approved independent school in Vermont;

(7) a public or independent school in the Province of Quebec approved under the laws of Canada; or

(8) a school to which a student on an individualized education plan has been referred or placed by the student's individualized education plan team or local education agency.

Second: By striking out Sec. 3 in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. TRANSITION

Notwithstanding any provision to the contrary in Sec. 2 of this act, a school district may pay tuition on behalf of a student to a school located in another country or to an approved independent school that is located in a state that is not contiguous to Vermont or in a state that does not pay publicly funded tuition for its resident students to attend a public or approved independent school in Vermont if, during the 2017-2018 school year, the student attended that school; provided, however, that tuition shall be paid for not more than four years after enactment of this act.

Third: in Sec.14, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

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

(1) the Secretary of Education or designee;

(2) the Commissioner of Health or designee;

(3) a member appointed by the State School Boards Association;

(4) a member appointed by the Vermont Superintendents Association;

(5) a member appointed by the Vermont Independent Schools Association; and

(6) a radon mitigation professional certified for testing and mitigation by the National Radon Proficiency Program, appointed by the Director of the Department of Labor's Workers' Compensation and Safety Division.

Fourth: in Sec.14, by striking out subdivision (e)(1) in its entirety and inserting in lieu thereof a new subdivision (e)(1) to read as follows:

(1) The Secretary of Education or designee shall call the first meeting of the Committee to occur on or before October 1, 2018.

Fifth: In Sec. 14, by adding a new subsection (g) to read as follows:

(g) Appropriation. The sum of $800.00 is appropriated from the General Fund to the Agency of Education to provide funding for the purposes set forth in this section.

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Education, as amended?, Senator Baruth moved to amend the recommendation of the Committee on Education, as amended as follows:

First: In Sec. 10, 16 V.S.A. § 829 (prekindergarten education), by striking out subdivision (b)(2) in its entirety and inserting in lieu thereof a new subdivision (b)(2) to read as follows:

(2) If a parent or guardian chooses to enroll a prekindergarten child in an available~~, prequalified~~ prekindergarten education program, then, pursuant to the parent or guardian's choice~~, the school district of residence shall:~~

(A) the child shall be enrolled in a prekindergarten education program operated by a private provider located in Vermont or a Vermont public school located outside the district in which the child resides and the Secretary shall pay tuition pursuant to ~~subsections (d) and (h)~~ subsection (d) of this section upon the request of the parent or guardian to~~:~~

~~(i) a prequalified private provider; or~~

~~(ii) a public school located outside the district that operates a prekindergarten program that has been prequalified pursuant to subsection (c) of this section~~ the provider; or

(B) ~~enroll~~ the child shall be enrolled in the prekindergarten education program ~~that it operates~~ operated by the public school district of residence, if such a program is offered, and the school district shall be eligible to count that child in its average daily membership pursuant to subsection (d) of this section.

Second: In Sec. 10, 16 V.S.A. § 829 (prekindergarten education), by striking out subsection (d) in its entirety and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Tuition, ~~budgets~~ payments, and average daily membership.

(1) On behalf of a ~~resident~~ prekindergarten child, ~~a district~~ the Secretary shall pay tuition for prekindergarten education for ten hours per week for 35 weeks annually to a ~~prequalified~~ private provider or to a public ~~school outside the district that is prequalified pursuant to subsection (c) of this section; provided, however, that the district shall pay tuition for weeks that are within the district's academic year~~ provider that is not the child's district of residence. ~~Tuition~~ Notwithstanding subsection 4025(d) of this title, tuition paid under this section shall be paid from the Education Fund at a statewide rate, which may be adjusted regionally, that is established annually through a process ~~jointly~~ developed and implemented by the ~~Agencies~~ Agency of Education ~~and of Human Services~~. ~~A district shall pay tuition upon~~ The Secretary shall establish procedures for payment of tuition to a public provider that is not the child's district of residence and a private provider that require, at a minimum, receiving:

(A) ~~receiving~~ annual notice from the child's parent or guardian that the child ~~is or will be admitted to the~~ chooses to participate in a publicly funded prekindergarten education program operated by the ~~prequalified~~ public provider that is not the child's district of residence or private provider ~~or the other district~~; ~~and~~

(B) concurrent ~~enrollment of the prekindergarten child in the district of residence for purposes of budgeting and determining average daily membership~~ notice from the public provider that is not the child's district of residence or private provider that the child is enrolled in its program; and

(C) a request for reimbursement from the public provider that is not the child's district of residence or the private provider that reports enrollment for the period covered by the request and certifies that the provider is eligible for public funding under subsection (c) of this section for the period covered by the request.

(2) In addition to any direct costs of operating a prekindergarten education program, a district of residence shall include ~~anticipated tuition payments and~~ any administrative, quality assurance, quality improvement, transition planning, or other prekindergarten-related costs in its annual budget presented to the voters.

(3) Pursuant to subdivision 4001(1)(C) of this title, the district of residence may include within its average daily membership any prekindergarten child for whom it has provided prekindergarten education ~~or on whose behalf it has paid tuition pursuant to this section~~.

(4) A ~~prequalified~~ private provider, or a public provider that is not the child's district of residence, may receive additional payment directly from the

parent or guardian only for prekindergarten education in excess of the publicly funded hours paid for ~~by the district~~ pursuant to this ~~section~~ subsection or for child care services, or both. The provider is not bound by the statewide rate established in this subsection when determining the rates it will charge the parent or guardian for these excess hours. A provider shall not impose additional fees for the publicly funded hours.

Third: In Sec. 10, 16 V.S.A. § 829 (prekindergarten education), in subsection (e), by adding a new subdivision (8) to read as follows:

(8) To require a district to include identifiable costs for prekindergarten programs and essential early education services in its annual budgets and reports to the community.

Fourth: By striking out Sec. 11, 16 V.S.A. § 4001, in its entirety.

Fifth: By renumbering the remaining sections to be numerically correct.

Sixth: By striking out the renumbered Sec. 14, effective dates, in its entirety and inserting in lieu thereof a new Sec. 14 to read as follows:

Sec. 14. EFFECTIVE DATES

(a) Secs. 9-12 shall take effect on July 1, 2019.

(b) This section and the remaining sections shall take effect on July 1, 2018.

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Education, as amended?, Senators Ingram and Baruth moved to amend the recommendation of the Committee on Education, as amended in Sec. 5 in the last sentence after the word "English" by striking out the words "and Spanish" and inserting in lieu thereof the following: , Spanish and French

Which was agreed to.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Education, as amended?, Senator Pearson moved to amend report of the Committee on Education, as amended by striking out Sec. 4 in its entirety.

Which was disagreed to on a roll call, Yeas 8, Nays 22.

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

Roll Call

Those Senators who voted in the affirmative were: Ayer, Campion, Clarkson, McCormack, Pearson, Pollina, Sears, White.

Those Senators who voted in the negative were: Ashe, Balint, Baruth, Benning, Branagan, Bray, Brock, Brooks, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, Nitka, Rodgers, Sirotkin, Soucy, Starr, Westman.

Thereupon, the recommendation of amendment of the Committee on Education, as amended, was agreed to and third reading of the bill was ordered.

Bill Called Up

S. 285.

Senate bill of the following title was called up by Senator Bray, and, under the rule, placed on the Calendar for action the next legislative day:

An act relating to universal recycling requirements.

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

Flory, Al of Barre - Member, State Infrastructure Bank Board - November 9, 2017, to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Hood, Peter of Middlesex - Member, State Infrastructure Bank Board - November 9, 2017, to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Kittell, Dana of East Fairfield - Member, Vermont Economic Development Authority - October 12, 2017, to June 30, 2018.

Was confirmed by the Senate.

The nomination of

Kimel, David of St. Albans - Director, Vermont Municipal Bond Bank - February 1, 2018, to January 31, 2020.

Was confirmed by the Senate.

The nomination of

Leavitt, Thomas S. of Waterbury Center - Commissioner, Vermont Housing Finance Agency - July 5, 2017, to January 31, 2020.

Was confirmed by the Senate.

The nomination of

Morrissey, Jeanne A. of Richmond - Commissioner, Vermont Housing Finance Agency - July 12, 2017, to January 31, 2021.

Was confirmed by the Senate.

The nomination of

Winters, Deborah of Swanton - Director, Vermont Municipal Bond Bank - February 1, 2018, to January 31, 2020.

Was confirmed by the Senate.

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 Kitchel, Benning, Rodgers and Starr,

By Reps. Batchelor and others,

S.C.R. 22.

Senate concurrent resolution designating Saturday, March 24, 2018 as Northeast Kingdom Day in Vermont.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Reps. Emmons and others,

By Senators Flory, Brooks, Mazza, Rodgers and Soucy,

H.C.R. 279.

House concurrent resolution honoring Andrew A. Pallito for his exemplary leadership and wisdom as a Vermont public official.

By All Members of the House,

By All Members of the Senate,

H.C.R. 280.

House concurrent resolution designating July 2018 as Parks and Recreation Month in Vermont.

By Reps. Sullivan and Buckholz,

H.C.R. 281.

House concurrent resolution designating March 19, 2018 as Women in Public Office Day.

By All Members of the House,

By Senators Lyons, Sirotkin, Ayer, Balint, Baruth, Ingram, Pearson and White,

H.C.R. 282.

House concurrent resolution in memory of Dr. John W. Hennessey Jr. of Shelburne.

By Reps. Wood and others,

H.C.R. 283.

House concurrent resolution designating March 2018 as Older Vermonters Nutrition Month.

By Reps. Beck and others,

By Senators Kitchel and Benning,

H.C.R. 284.

House concurrent resolution congratulating the St. Johnsbury Academy Hilltoppers on winning their fourth consecutive Division I girls' indoor track and field championship.

By Reps. Beck and others,

By Senators Kitchel and Benning,

H.C.R. 285.

House concurrent resolution congratulating the 2018 St. Johnsbury Academy Hilltoppers Division I championship boys' indoor track and field team.

By Reps. Webb and others,

By Senators Lyons, Ashe, Baruth, Ingram, Mazza, Pearson and Sirotkin,

H.C.R. 286.

House concurrent resolution in memory of Elaine B. Little of Shelburne and Burlington.

By All Members of the House,

By All Members of the Senate,

H.C.R. 287.

House concurrent resolution honoring the life and legacy of Robert Romeo De Cormier Jr. of Belmont.

By the Committee on Agriculture and Forestry,

H.C.R. 288.

House concurrent resolution celebrating the cultural and economic centrality of agriculture in the State of Vermont.

By Reps. Rachelson and others,

H.C.R. 289.

House concurrent resolution designating March 22, 2018 as Vermont Nonprofit Legislative Day at the State House.

By Reps. Cina and others,

H.C.R. 290.

House concurrent resolution designating March 2018 as National Social Work Month in Vermont.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, March 27, 2018, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 52.

TUESDAY, MARCH 27, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Joan Javier-Duval of Montpelier.

Pledge of Allegiance

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

Message from the House No. 35

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 897. An act relating to enhancing the effectiveness, availability, and equity of services provided to students who require additional support.

H. 899. An act relating to fees for records filed in town offices and a town fee report and request.

H. 922. An act relating to making numerous revenue changes.

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

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

H.C.R. 279. House concurrent resolution honoring Andrew A. Pallito for his exemplary leadership and wisdom as a Vermont public official.

H.C.R. 280. House concurrent resolution designating July 2018 as Parks and Recreation Month in Vermont.

H.C.R. 281. House concurrent resolution designating March 19, 2018 as Women in Public Office Day.

H.C.R. 282. House concurrent resolution in memory of Dr. John W. Hennessey Jr. of Shelburne.

H.C.R. 283. House concurrent resolution designating March 2018 as Older Vermonters Nutrition Month.

H.C.R. 284. House concurrent resolution congratulating the St. Johnsbury Academy Hilltoppers on winning their fourth consecutive Division I girls' indoor track and field championship.

H.C.R. 285. House concurrent resolution congratulating the 2018 St. Johnsbury Academy Hilltoppers Division I championship boys' indoor track and field team.

H.C.R. 286. House concurrent resolution in memory of Elaine B. Little of Shelburne and Burlington.

H.C.R. 287. House concurrent resolution honoring the life and legacy of Robert Romeo De Cormier Jr. of Belmont.

H.C.R. 288. House concurrent resolution celebrating the cultural and economic centrality of agriculture in the State of Vermont.

H.C.R. 289. House concurrent resolution designating March 22, 2018 as Vermont Nonprofit Legislative Day at the State House.

H.C.R. 290. House concurrent resolution designating March 2018 as National Social Work Month in Vermont.

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. 22. Senate concurrent resolution designating Saturday, March 24, 2018 as Northeast Kingdom Day in Vermont.

And has adopted the same in concurrence.

Bills Referred

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

H. 897.

An act relating to enhancing the effectiveness, availability, and equity of services provided to students who require additional support.

To the Committee on Education.

H. 899.

An act relating to fees for records filed in town offices and a town fee report and request.

To the Committee on Government Operations.

H. 922.

An act relating to making numerous revenue changes.

To the Committee on Finance.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 53.

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

By Senator Ashe,

J.R.S. 53. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 30, 2018, it be to meet again no later than Tuesday, April 3, 2018.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

S. 94. An act relating to promoting remote work and flexible work arrangements.

S. 257. An act relating to miscellaneous changes to education law.

Third Readings Ordered

H. 693.

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

An act relating to the Honor and Remember Flag.

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. 829.

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

An act relating to appointing town grand jurors.

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. 846.

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

An act relating to the application of general law to chartered municipalities.

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.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 28, 2018.

WEDNESDAY, MARCH 28, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rosaire Bisson of Barre.

Message from the House No. 36

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

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

The Governor has informed the House that on March 27, 2018, he approved and signed a bill originating in the House of the following title:

H. 150. An act relating to parole eligibility.

Committee Relieved of Further Consideration; Bill Committed

H. 560.

On motion of Senator Ayer, the Committee on Health and Welfare was relieved of further consideration of House bill entitled:

An act relating to household products containing hazardous substances,

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

Bill Referred to Committee on Appropriations

H. 608.

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

An act relating to creating an Older Vermonters Act working group.

Bill Referred to Committee on Finance

H. 904.

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 agricultural subjects.

Bill Referred

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

H. 924.

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

To the Committee on Appropriations.

Bill Amended; Third Reading Ordered

S. 285.

Senate bill entitled:

An act relating to universal recycling requirements.

Having been called up, was taken up.

Thereupon, pending the question, Shall the recommendation of amendment of the Committee on Natural Resources and Energy be amended as recommended by Senator Pollina?, Senator Pollina requested and was granted leave to withdraw the recommendation of amendment.

Thereupon, Senators Pollina and Bray moved to amend the recommendation of amendment of the Committee on Natural Resources and Energy by adding two new sections to be numbered Secs. 3a and 3b to read as follows:

* * * Unclaimed Beverage Container Deposits * * *

Sec. 3a. 10 V.S.A. § 1530 is added to read:

§ 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

(a) As used in this section, "deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

(b) A deposit initiator shall open a separate interest-bearing account in a Vermont branch of a financial institution to be known as the deposit transaction account. The deposit initiator shall keep the deposit transaction account separate from all other revenues and accounts.

(c) Beginning on July 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

(d) Beginning on October 10, 2019, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding quarter. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

(1) the balance of the account at the beginning of the preceding quarter;

(2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;

(3) the amount of beverage container deposits received by the deposit initiator and deposited into the deposit transaction account;

(4) the amount of refund payments made from the deposit transaction account in the preceding quarter;

(5) any income earned on the deposit transaction account in the preceding quarter;

(6) any other transactions, withdrawals, or service charges on the deposit transaction account from the preceding quarter; and

(7) any additional information required by the Commissioner of Taxes.

(e)(1) On or before October 10, 2019, and quarterly thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that should be in the deposit transaction account less the sum of:

(A) income earned on amounts on the account during that quarter; and

(B) the total amount of refund value received by the deposit initiator for beverage containers during that quarter.

(2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the funds that are or should be in the deposit initiator's deposit transaction account. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:

(A) the Commissioner determines that the funds in the deposit initiator's deposit transaction action are insufficient to pay the refunds on returned beverage containers; and

(B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection (e) in the preceding 12 months less amounts paid to the initiator pursuant to this subdivision (2) during that same 12-month period.

(f) The Secretary of Natural Resources may prohibit the sale of a beverage that is sold or distributed in the State by a deposit initiator who fails to comply with the requirements of this chapter. The Secretary may allow the sale of a beverage upon the deposit initiator's coming into compliance with the requirements of this chapter.

(g) The Commissioner of Taxes shall deposit in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund established under section 6618 of this title all abandoned beverage container deposits remitted under subsection (e) of this section.

Sec. 3b. 10 V.S.A. § 6618 is amended to read:

§ 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have three accounts: one for Solid Waste Management Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A. chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax ~~which~~ that is deposited to the Hazardous Waste Management Assistance Account exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, abandoned beverage container deposits remitted to the State under section 1530 of this title, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section 7553 of this title. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate Fund account. Disbursements from the Fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

(b) The Secretary may authorize disbursements from the Solid Waste Management Assistance Account for the purpose of enhancing solid waste management in the State in accordance with the adopted waste management plan. This includes:

* * *

(9) The Secretary shall annually allocate 17 percent of the receipts of this account, based on the projected revenue for that year, for implementation of the Plan adopted pursuant to section 6604 of this title and Solid Waste Implementation Plans adopted pursuant to 24 V.S.A. § 2202a.

* * *

(11) Costs of solid waste management entities and commercial haulers in complying with universal recycling requirements.

* * *

Which was agreed to on a roll call, Yeas 19, Nays 11.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Ayer, Balint, Baruth, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, McCormack, Pearson, Pollina, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Benning, Branagan, Brock, Collamore, Flory, Mazza, Nitka, Rodgers, Sears, Soucy, Starr.

Thereupon, Senators Kitchel, Ashe, McCormack, Nitka, Sears, Starr and Westman moved the recommendation of amendment of the Committee on Natural Resources and Energy, as amended be amended as follows:

First: In Sec. 3a, 10 V.S.A. § 1530, by striking out subsection (g) in its entirety.

Second: By striking out Sec. 3b in its entirety.

Which was agreed to.

Thereupon, Senator Bray moved to amend the recommendation of amendment of the Committee on Natural Resources and Energy, as amended in Sec. 3a in 10 V.S.A. § 1530(e)(1(B) by striking out the word "received" and inserting in lieu thereof the words paid out

Which was agreed to.

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, was decided in the affirmative.

Thereupon, third reading of the bill was ordered.

Bills Passed

Senate bills of the following titles were severally read the third time and passed:

H. 829. An act relating to appointing town grand jurors.

H. 846. An act relating to the application of general law to chartered municipalities.

Third Readings Ordered

H. 585.

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

An act relating to management of records.

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. 615.

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

An act relating to prohibiting the use of drones near correctional facilities.

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. 611.

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

An act relating to compensation for victims of crime.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 13 V.S.A. § 5357, by amending the last sentence to read as follows: Such subrogation rights shall be against ~~the perpetrator of the crime or~~ any person liable for the pecuniary loss.

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

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

Proposals of Amendment; Third Reading Ordered

H. 836.

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

An act relating to electronic court filings for relief from abuse orders.

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

First: By striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. LEGISLATIVE INTENT

This act permits relief from abuse orders to be obtained electronically in certain circumstances when courts are closed while enhancing the safety of all parties involved.

Second: In Sec. 2, 15 V.S.A. § 1106(b)(2) by striking out subparagraph (C) and inserting in lieu thereof a new subparagraph (C) to read as follows:

(C) The affidavit shall be sworn to or affirmed by administration of the oath over the telephone to the applicant by the authorized person, and shall conclude with the following statement: "I declare under the penalty of perjury pursuant to the laws of the State of Vermont that the foregoing is true and accurate. I understand that the penalty for perjury is imprisonment of not more than 15 years or a fine of not more than $10,000.00, or both." The authorized person shall note on the affidavit the date and time that the oath was administered.

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.

Message from the House No. 37

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. 55. An act relating to the disposition of unlawful and abandoned firearms.

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. 53. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Thursday, March 29, 2018.

THURSDAY, MARCH 29, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Deadra Bachorik of Burlington.

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

H. 693.

House bill entitled:

An act relating to the Honor and Remember Flag.

Was taken up.

Thereupon, pending third reading of the bill, Senator Collamore moved that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 1 V.S.A. § 496a is added to read:

§ 496a. HONOR AND REMEMBER FLAG

The Honor and Remember Flag is designated as the flag that recognizes those Vermonters who died during or as the result of serving on active duty in the U.S. Armed Forces. This designation will recognize their bravery and educate Vermonters about the sacrifices their fellow citizens have made to protect our nation. The Department of Buildings and General Services shall establish a protocol for the flying of the Honor and Remember Flag and may accept donations of the flag to be flown on State-owned flagpoles. The Honor and Remember Flag may be flown on State-owned and municipally owned flagpoles, including those at military facilities, war memorials, and veterans cemeteries on such days as the Department of Buildings and General Services shall designate in the protocol.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

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, Nays 0.

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

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Rodgers.

Bill Passed

S. 285.

Senate bill of the following title was read the third time and passed:

An act relating to universal recycling requirements.

Bills Passed in Concurrence

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

H. 585. An act relating to management of records.

H. 615. An act relating to prohibiting the use of drones near correctional facilities.

Bills Passed in Concurrence with Proposal of Amendment

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

H. 611. An act relating to compensation for victims of crime.

H. 836. An act relating to electronic court filings for relief from abuse orders.

Third Readings Ordered

H. 616.

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

An act relating to thermal efficiency monies and biomass-led district heat.

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. 620.

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

An act relating to State-owned airports and economic development.

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. 422.

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

An act relating to removal of firearms from a person arrested or cited for domestic assault.

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. § 1048 is added to read:

§ 1048. REMOVAL OF FIREARMS

(a)(1) When a law enforcement officer arrests, cites, or obtains an arrest warrant for a person for domestic assault in violation of this subchapter, the officer may remove any firearm:

(A) that is contraband or will be used as evidence in a criminal proceeding; or

(B) that is in the immediate possession or control of the person being arrested or cited, in plain view of the officer at the scene of the alleged

domestic assault, or discovered during a lawful search, including under exigent circumstances, if the removal is necessary for the protection of the officer, the alleged victim, the person being arrested or cited, or a family member of the alleged victim or of the person being arrested or cited.

(2) As used in this section, "family member" means any family member, a household member as defined in 15 V.S.A. § 1102(1), or a child of a family member or household member.

(b) A person cited for domestic assault shall be arraigned on the next business day after the citation is issued except for good cause shown. Unless the person is held without bail, the State's Attorney shall request conditions of release for a person cited or lodged for domestic assault.

(c)(1) At arraignment, the court shall issue a written order releasing any firearms removed pursuant to subdivision (a)(1)(B) of this section unless:

(A) the firearm is being or may be used as evidence in a pending criminal or civil proceeding;

(B) a court orders relinquishment of the firearm pursuant to 15 V.S.A. chapter 21 (abuse prevention) or any other provision of law consistent with 18 U.S.C. § 922(g)(8), in which case the weapon shall be stored pursuant to 20 V.S.A. § 2307;

(C) the person requesting the return is prohibited by law from possessing a firearm; or

(D) the court imposes a condition requiring the defendant not to possess a firearm.

(2) If the court under subdivision (1) of this subsection orders the release of a firearm removed under subdivision (a)(1)(B) of this section, the law enforcement agency in possession of the firearm shall make it available to the owner within three business days after receipt of the written order and in a manner consistent with federal law.

(d)(1) A law enforcement officer shall not be subject to civil or criminal liability for acts or omissions made in reliance on the provisions of this section. This section shall not be construed to create a legal duty to a victim or to any other person, and no action may be filed based upon a claim that a law enforcement officer removed or did not remove a firearm as authorized by this section.

(2) A law enforcement agency shall be immune from civil or criminal liability for any damage or deterioration of firearms removed, stored, or transported pursuant to this section. This subdivision shall not apply if the damage or deterioration occurred as a result of recklessness, gross negligence, or intentional misconduct by the law enforcement agency.

(3) This section shall not be construed to limit the authority of a law enforcement agency to take any necessary and appropriate action, including disciplinary action, regarding an officer's performance in connection with this section.

(e) This section shall not be construed:

(1) to prevent a court from prohibiting a person from possessing firearms under any other provision of law;

(2) to prevent a law enforcement officer from searching for and seizing firearms under any other provision of law; or

(3) to authorize a warrantless search under any circumstances other than those permitted by this section.

Sec. 2. EFFECTIVE DATE

This act shall take effect on September 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 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, Brock, Campion, Clarkson, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Brooks.

Proposal of Amendment; Third Readings Ordered

H. 563.

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

An act relating to repealing the crimes of vagrancy.

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

The General Assembly finds:

(1) At common law, a vagrant is someone who refuses to work or goes about begging. Throughout the 19th and 20th centuries, Vermont and most other states criminalized this status. An 1864 Vermont statute focused on a "person, who, having his face painted, discolored, covered, or concealed, or being otherwise disguised in a manner calculated to prevent him from being identified and his true character discovered." Other versions of the law targeted persons who were "unable to give a good account of themselves."

(2) Vermont's vagrancy laws are very likely unconstitutional. Similar laws in other states have been struck down by the courts for vagueness and overbreadth, for failure to provide fair notice of what conduct is forbidden, and for encouraging arbitrary and erratic arrests.

(3) Vermont's vagrancy laws criminalize a person's status as someone who "roves from place to place and [lives] without visible means of support…" Any conduct prohibited in the vagrancy chapter is covered by other statutes in current law such as disorderly conduct, trespass, and assault.

Sec. 2. REPEAL

13 V.S.A. chapter 83 (Vagrants) is repealed.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 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.

H. 771.

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

An act relating to the Vermont National Guard.

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. § 428 is added to read:

§ 428. RECRUITMENT, RETENTION, AND PROMOTION OF WOMEN; REPORT

(a) Notwithstanding 2 V.S.A. § 20(d), the Adjutant and Inspector General shall make a report to the General Assembly on or before January 15, 2019 and annually thereafter regarding the Vermont National Guard's efforts to recruit and retain women and to increase the number of women serving as senior noncommissioned officers, warrant officers, and senior commissioned officers.

(b) The report shall contain:

(1) the numbers of men and women serving in the Vermont National Guard;

(2) the numbers, by rank, of men and women serving in the Vermont National Guard as senior noncommissioned officers, E-7 and above; as warrant officers, W-1 to W-5; and as senior commissioned officers, O-4 and above;

(3) the change during the previous five years in the numbers of men and women serving in the Vermont National Guard as senior noncommissioned officers, E-7 and above; as warrant officers, W-1 to W-5; and as senior commissioned officers, O-4 and above;

(4) the numbers of men and women recruited to serve in the Vermont National Guard during the past calendar year;

(5) the numbers of men and women recruited or promoted to serve in the Vermont National Guard as senior noncommissioned officers, E-7 and above, during the past calendar year;

(6) the numbers of men and women recruited or promoted to serve in the Vermont National Guard as warrant officers, W-1 to W-5, during the past calendar year;

(7) the numbers of men and women recruited or promoted to serve in the Vermont National Guard as senior commissioned officers, O-4 and above, during the past calendar year;

(8) a summary of the current policies, initiatives, and programs to increase the number of women recruited and retained by the Vermont National Guard, any changes made by the Guard since the prior report, and any recommendations for legislative action to increase further the number of women recruited and retained by the Vermont National Guard; and

(9) a summary of the current policies, initiatives, and programs to increase the number of women serving in the Vermont National Guard as senior noncommissioned officers, warrant officers, and senior commissioned officers; any changes made by the Guard since the prior report; and any recommendations for legislative action to increase further the number of women serving in the Vermont National Guard as senior noncommissioned officers, warrant officers, and senior commissioned officers.

Sec. 2. 20 V.S.A. § 363 is amended to read:

§ 363. OFFICERS GENERALLY

(a)(1) The ~~general assembly~~ General Assembly shall biennially elect an ~~adjutant and inspector general~~ Adjutant and Inspector General, who shall also be ~~quartermaster general~~ Quartermaster General with the rank of a major general.

(2) A candidate for Adjutant and Inspector General shall:

(A) be a resident of Vermont;

(B) have attained the rank of lieutenant colonel (O-5) or above;

(C) be a current member of the U.S. Army, the U.S. Air Force, the U.S. Army Reserve, the U.S. Air Force Reserve, the Army National Guard, or the Air National Guard or be eligible to return to active service in the Army National Guard or the Air National Guard; and

(D) be a graduate of a Senior Service College, currently be enrolled in a Senior Service College, or be eligible to be enrolled in a Senior Service College during the biennium in which the candidate would first be appointed.

(3) A candidate for Adjutant and Inspector General shall, at the time he or she notifies the Secretary of State of his or her candidacy pursuant to 2 V.S.A. § 12, certify under oath to the Secretary that he or she meets the qualifications set forth in subdivision (2) of this subsection.

(b)(1) ~~Such officer~~ The Adjutant and Inspector General may appoint a deputy with appropriate rank, an ~~assistant adjutant general~~ Assistant Adjutant General for ~~army~~ Army, an ~~assistant adjutant general~~ Assistant Adjutant General for ~~air~~ Air, an ~~assistant adjutant general~~ Assistant Adjutant General for ~~joint operations~~ Joint Operations, a sergeant major, and a chief master sergeant, without pay, with the approval of the ~~governor~~ Governor.

(2) The ~~adjutant general~~ Adjutant and Inspector General may remove the appointed assistant adjutant generals and sergeants and shall be responsible for their acts.

(3) Upon appointment, each assistant adjutant general shall be a federally recognized officer of the ~~national guard~~ National Guard of the rank of lieutenant colonel or above, and shall have a rank of colonel or brigadier general, and the sergeant major shall be a federally recognized noncommissioned officer of the ~~national guard~~ National Guard of the rank of master sergeant or first sergeant, and the chief master sergeant shall be a federally recognized noncommissioned officer of the rank of senior master sergeant or first sergeant.

(4) The deputy, assistants, and sergeants shall perform duties as the ~~adjutant and inspector general and quartermaster general~~ Adjutant and Inspector General shall direct. In the absence or disability of the ~~officer~~ Adjutant and Inspector General, the deputy shall perform the duties of that office.

(c) In case a vacancy occurs in the office of ~~adjutant and inspector general and quartermaster general~~ Adjutant and Inspector General, the deputy shall assume and discharge the duties of the office until the vacancy is filled.

(d) ~~The appointments~~ Appointments made pursuant to subsection (b) of this section shall be in writing and recorded in the office of the ~~secretary of state~~ Secretary of State.

(e) All other officers of the ~~national guard~~ National Guard shall be chosen in accordance with ~~such regulations as~~ rules adopted by the ~~governor may prescribe~~ Governor consistent with the laws of this ~~state~~ State and the United States.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 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.

Rules Suspended; Bill Committed

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

H. 904. An act relating to miscellaneous agricultural subjects.

Thereupon, pending entry of the bill on the calendar for notice the next legislative day, Senator Cummings moved that Senate Rule 49 be suspended in

order to commit the bill to the Committee on Natural Resources and Energy with the report of the Committee on Agriculture *intact*,

Which was agreed to.

Adjournment

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

FRIDAY, MARCH 30, 2018

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Bruce Wilkinson of Bristol.

Message from the House No. 38

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

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. 128. An act relating to executive sessions under the Open Meeting Law.

And has passed the same in concurrence.

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

J.R.S. 48. Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Stowe Mountain Resort and to amend a conservation easement in the Town of Plymouth.

And has adopted the same in concurrence.

Message from the House No. 39

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 proposal of amendment to Senate bill of the following title:

S. 103. An act relating to the regulation of toxic substances and hazardous materials.

And has concurred therein.

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

H.C.R. 291. House concurrent resolution congratulating the Vermont State Housing Authority on its 50th anniversary.

H.C.R. 292. House concurrent resolution congratulating the 2018 Rutland High School Division I championship cheerleading team.

H.C.R. 293. House concurrent resolution congratulating Milton High School senior Nick Johnson on his varsity athletic achievements.

H.C.R. 294. House concurrent resolution congratulating Southwestern Medical Center on its centennial anniversary.

H.C.R. 295. House concurrent resolution congratulating the Vermont teams participating in the 2017–2018 FIRST robotics competitions.

H.C.R. 296. House concurrent resolution congratulating the 2017 Northfield High School Marauders Division III championship girls' cross-country team.

H.C.R. 297. House concurrent resolution congratulating William O'Neil on his 2018 induction into the National Federation of State High School Associations' Hall of Fame.

H.C.R. 298. House concurrent resolution honoring the TRIO academic programs in Vermont and designating March 29, 2018 as TRIO Day at the State House.

H.C.R. 299. House concurrent resolution congratulating the Brattleboro Floral Arts and Garden Club on its 50th anniversary.

H.C.R. 300. House concurrent resolution congratulating Melba Masse on her induction into the Vermont Sports Hall of Fame.

H.C.R. 301. House concurrent resolution congratulating the 2018 Fair Haven Union High School Slaters Division II championship boys' basketball team.

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

Pages Honored

In appreciation of their many services to the members of the General Assembly, the President recognized the following-named pages who are completing their services today and presented them with letters of appreciation.

Mack Briglin of Thetford Center
Brody Brown of Washington
Lily Charkey-Buren of Brattleboro
Olivia Crawford of Jericho
Hannah Darby of West Berlin
Seamus Howrigan of Colchester
Adelle MacDowell of Johnson
Liza Morse of Danville
Otto Nisimblat of Killington
Olive Oski of Burlington
Ethan Sonneborn of Bristol

Bill Referred

House bill of the following title:

H. 921. An act relating to nursing home oversight.

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

Bill Referred

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

H. 923.

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

To the Committee on Institutions.

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. 422. An act relating to removal of firearms from a person arrested or cited for domestic assault.

H. 563. An act relating to repealing the crimes of vagrancy.

H. 771. An act relating to the Vermont National Guard.

Bills Passed in Concurrence

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

H. 616. An act relating to thermal efficiency monies and biomass-led district heat.

H. 620. An act relating to State-owned airports and economic development.

Third Readings Ordered

H. 271.

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

An act relating to administration of the Supplemental Nutrition Assistance Program.

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. 686.

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

An act relating to establishing the Child Fatality Review Team.

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.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock and fifteen minutes in the afternoon.

Called to Order

The Senate was called to order by the President.

House Proposal of Amendment Concurred In

S. 55.

House proposal of amendment to Senate bill entitled:

An act relating to the disposition of unlawful and abandoned firearms.

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. 20 V.S.A. § 2301 is amended to read:

§ 2301. APPLICABILITY OF CHAPTER

Notwithstanding any other provisions of law relating to the retention and disposition of evidence or lost, unclaimed, or abandoned property, the provisions of this chapter shall govern the retention or disposition, or both, of unlawful firearms~~, as defined in section 2302 of this title,~~ in the possession of any agency~~, as defined in section 2302~~ and the disposition of abandoned firearms in the possession of the Department of Public Safety.

Sec. 2. 20 V.S.A. § 2302 is amended to read:

§ 2302. UNLAWFUL FIREARMS; AGENCY

~~(a) For purposes of~~ As used in this chapter~~,~~:

(1) "~~unlawful~~ Unlawful firearms" means firearms the possession of which constitutes a violation of federal or ~~state~~ State law and firearms carried or used in violation of any federal or ~~state~~ State law or in the commission of any federal or ~~state~~ State felony.

~~(b)~~(2) ~~For purposes of this chapter, "agency"~~ "Agency" means any ~~state~~ State or local law enforcement agency, any ~~state~~ State agency except the Vermont ~~fish and wildlife department~~ Department of Fish and Wildlife, and any local government entity.

(3) "Unlawful per se" means firearms the possession of which is unlawful under any circumstances under State or federal law.

(4) "Abandoned firearms" means firearms in the possession of the Department of Public Safety that are no longer needed as evidence and remain unclaimed for more than 18 months from the date the firearms come into the Department's possession.

Sec. 3. 20 V.S.A. § 2305 is amended to read:

§ 2305. DISPOSITION OF UNLAWFUL FIREARMS

(a) Any ~~unlawful~~ firearm ~~which the commissioner of public safety determines to be unsafe or~~ the possession of which is unlawful per se shall either be destroyed, or if the ~~commissioner of public safety~~ Commissioner of Public Safety deems ~~such to be~~ it appropriate, retained by the ~~department of public safety~~ Department of Public Safety for purposes of forensic science reference. In no event shall the ~~commissioner of public safety~~ Commissioner of Public Safety dispose of such ~~an unlawful~~ a firearm in any other manner or to any other person.

(b)(1) Except as provided in section 2306 of this title, all ~~other~~ unlawful and abandoned firearms shall either be:

(A) delivered to the ~~state treasurer~~ Commissioner of Buildings and General Services as directed by him or her for ~~disposition by public sale pursuant to the provisions of chapter 13 of Title 27, or by such other manner of sale deemed appropriate by the state treasurer, or~~ sale to a federally licensed firearms dealer pursuant to the Commissioner's authority under Title 29;

(B) at the discretion of the ~~state treasurer~~ Commissioner of Buildings and General Services, ~~donated to a governmental agency or to a nonprofit organization upon the recommendation of the commissioner of fish and wildlife,~~ transferred to the Commissioner of Fish and Wildlife for disposition; or~~,~~

(C) if the ~~commissioner of public safety~~ Commissioner of Public Safety deems ~~such to be~~ it appropriate, retained by the ~~department of public safety~~ Department of Public Safety for purposes of forensic science reference.

(2) Notwithstanding ~~the foregoing provision~~ subdivision (1) of this subsection, an unlawful firearm used in the commission of a homicide shall not be delivered to the ~~state treasurer for disposition by public sale~~ Commissioner of Buildings and General Services, but shall be disposed of only in accordance with:

(A) the provisions of subsection (a) of this section in the same manner as unlawful per se firearms; or

(B) section 2306 of this title.

(c) When the firearms sold under this section have been delivered ~~to the commissioner of public safety~~ by a local law enforcement agency, the ~~state treasurer~~ Commissioner of Buildings and General Services shall return two-thirds of the net proceeds from the sale to the appropriate municipality. The

remaining proceeds shall be allocated pursuant to the authority of the Commissioner of Buildings and General Services under 29 V.S.A. § 1557. Proceeds allocated to a municipality under this subsection shall, to the extent needed by the municipality, be used to offset the costs of storing nonevidentiary firearms.

(d) No State agency or department or State official shall be subject to any civil, criminal, administrative, or regulatory liability for any act taken or omission made in reliance on the provisions of this chapter.

Sec. 4. 20 V.S.A. § 2306 is amended to read:

§ 2306. RIGHTS OF INNOCENT OWNER

Nothing contained in subsection 2305(b) of this title shall prejudice the rights of the bona fide owner of any unlawful firearm, the disposition of which is governed by that subsection, upon affirmative proof by him or her that he or she had no express or implied knowledge that such unlawful firearm was being or intended to be used illegally or for illegal purposes. If the bona fide owner provides reasonable and satisfactory proof of his or her ownership and of his or her lack of express or implied knowledge to the ~~commissioner of public safety~~ Commissioner of Public Safety, the unlawful firearm shall be returned to him or her. If the ~~commissioner of public safety~~ Commissioner of Public Safety determines that the proof offered is not satisfactory or reasonable, the person may, within 14 days, request a hearing before the ~~state treasurer~~ Commissioner of Buildings and General Services and the ~~commissioner of public safety~~ Commissioner of Public Safety, jointly. The ~~state treasurer~~ Commissioner of Buildings and General Services and the ~~commissioner of public safety~~ Commissioner of Public Safety shall promptly hold a hearing on any claim filed under this section, in accordance with the provisions for contested cases in 3 V.S.A. chapter 25 ~~of Title 3~~.

Sec. 5. 20 V.S.A. § 2307 is amended to read:

§ 2307. FIREARMS RELINQUISHED PURSUANT TO RELIEF FROM ABUSE ORDER; STORAGE; FEES; RETURN

* * *

(2)(A)(i) If the owner fails to retrieve the firearm, ammunition, or weapon and pay the applicable storage fee within 90 days of the court order releasing the items, the firearm, ammunition, or weapon may be sold for fair market value. Title to the items shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in section 2305 of this title.

* * *

Sec. 6. 13 V.S.A. § 4019 is added to read:

§ 4019. FIREARMS TRANSFERS; BACKGROUND CHECKS

(a) As used in this section:

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

(2) "Immediate family member" means a spouse, parent, stepparent, child, stepchild, sibling, stepsibling, grandparent, stepgrandparent, grandchild, stepgrandchild, greatgrandparent, stepgreatgrandparent, greatgrandchild, and stepgreatgrandchild.

(3) "Law enforcement officer" shall have the same meaning as in subdivision 4016(a)(4) of this title.

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

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

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

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

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

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

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

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

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

(c)(1) A licensed dealer who agrees to facilitate a firearm transfer pursuant to this section shall comply with all requirements of State and federal law and shall, unless otherwise expressly provided in this section, conduct the transfer in the same manner as the licensed dealer would if selling the firearm from his or her own inventory, but shall not be considered a vendor.

(2) A licensed dealer shall return the firearm to the proposed transferor and decline to continue facilitating the transfer if the licensed dealer determines that the proposed transferee is prohibited by federal or State law from purchasing or possessing the firearm.

(3) A licensed dealer may charge a reasonable fee to facilitate the transfer of a firearm between a proposed transferor and a proposed transferee pursuant to this section.

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

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

(e) This section shall not apply to:

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

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

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

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

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

Sec. 7. 13 V.S.A. § 4020 is added to read:

§ 4020. SALE OF FIREARMS TO PERSONS UNDER 21 YEARS OF AGE PROHIBITED

(a) A person shall not sell a firearm to a person under 21 years of age. A person who violates this subsection shall be imprisoned for not more than one year or fined not more than $1,000.00, or both.

(b) This section shall not apply to:

(1) a law enforcement officer;

(2) an active or veteran member of the Vermont National Guard, of the National Guard of another state, or of the U.S. Armed Forces;

(3) a person who provides the seller with a certificate of satisfactory completion of a Vermont hunter safety course or an equivalent hunter safety course that is approved by the Commissioner; or

(4) a person who provides the seller with a certificate of satisfactory completion of a hunter safety course in another state or a province of Canada that is approved by the Commissioner.

(c) As used in this section:

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

(2) "Law enforcement officer" shall have the same meaning as in subsection 4016(a) of this title.

(3) "Commissioner" means the Commissioner of Fish and Wildlife.

Sec. 8. 13 V.S.A. § 4021 is added to read:

§ 4021. LARGE CAPACITY AMMUNITION FEEDING DEVICES

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

(b) A person who violates this section shall be imprisoned for not more than one year or fined not more than $500.00, or both.

(c)(1) The prohibition on possession of large capacity ammunition feeding devices established by subsection (a) of this section shall not apply to a large capacity ammunition feeding device lawfully possessed on or before the effective date of this act.

(2) The prohibition on possession, transfer, sale, and purchase of large capacity ammunition feeding devices established by subsection (a) of this section shall not apply to a large capacity ammunition feeding device lawfully possessed by a licensed dealer as defined in subdivision 4019(a)(4) of this title prior to the effective date of this act and transferred by the dealer on or before October 1, 2018.

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

(A) manufactured for, transferred to, or possessed by the United States or a department or agency of the United States, or by any state or by a department, agency, or political subdivision of a state;

(B) transferred to or possessed by a federal law enforcement officer or a law enforcement officer certified as a law enforcement officer by the Vermont Criminal Justice Training Council pursuant to 20 V.S.A. § 2358, for legitimate law enforcement purposes, whether the officer is on or off duty;

(C) transferred to a licensee under Title I of the Atomic Energy Act of 1954 for purposes of establishing and maintaining an on-site physical protection system and security organization required by federal law, or possessed by an employee or contractor of such a licensee on-site for these purposes, or off-site for purposes of licensee-authorized training or transportation of nuclear materials;

(D) possessed by an individual who is retired from service with a law enforcement agency after having been transferred to the individual by the agency upon his or her retirement, provided that the individual is not otherwise prohibited from receiving ammunition;

(E) manufactured, imported, transferred, or possessed by a manufacturer or importer licensed under 18 U.S.C. chapter 44: or

(i) for the purposes of testing or experimentation authorized by the U.S. Attorney General, or for product development;

(ii) for repair and return to the person from whom it was received; or

(iii) for transfer in foreign or domestic commerce for delivery and possession outside the State of Vermont.

(F) transported by a resident of another state into this State for the exclusive purpose of use in an established shooting competition if the device is lawfully possessed under the laws of another state

(2) This section shall not apply to a licensed dealer as defined in subdivision 4019(a)(4) of this title for the sole purpose of transferring or selling a large capacity ammunition feeding device to a person to whom this section does not apply under subdivision (1) of this subsection (d).

(e)(1) As used in this section, "large capacity ammunition feeding device" means a magazine, belt, drum, feed strip, or similar device that has a capacity of, or that can be readily restored or converted to accept:

(A) more than 10 rounds of ammunition for a long gun; or

(B) more than 15 rounds of ammunition for a hand gun.

(2) The term "large capacity ammunition feeding device" shall not include:

(A) an attached tubular device designed to accept, and capable of operating only with, .22 caliber rimfire ammunition;

(B) a large capacity ammunition feeding device that is manufactured or sold solely for use by a lever action or bolt action long gun or by an antique firearm as defined in subdivisions 4017(d)(2)(A) and (B) of this title; or

(C) a large capacity ammunition feeding device that is manufactured or sold solely for use with a firearm that is determined to be a curio or relic by the Bureau of Alcohol, Tobacco, Firearms and Explosives. As used in this subdivision, "curio or relic" means a firearm that is of special interest to collectors by reason of some quality other than its association with firearms intended for sporting use or as offensive or defensive weapons.

Sec. 9. 13 V.S.A. § 4022 is added to read:

§ 4022. BUMP-FIRE STOCKS; POSSESSION PROHIBITED

(a) As used in this section, "bump-fire stock" means a butt stock designed to be attached to a semiautomatic firearm and intended to increase the rate of fire achievable with the firearm to that of a fully automatic firearm by using the energy from the recoil of the firearm to generate a reciprocating action that facilitates the repeated activation of the trigger.

(b) A person shall not possess a bump-fire stock. A person who violates this subsection shall be imprisoned not more than one year or fined not more than $1,000.00, or both.

(c) The Department of Public Safety shall develop, promote, and execute a collection process that permits persons to voluntarily and anonymously relinquish bump-fire stocks prior to the effective date of this section.

Sec. 10. REPORT; BACKGROUND CHECKS ON PRIVATE FIREARM SALES

On or before December 15, 2018, the Department of Public Safety, the Executive Director of the Department of Sheriffs and State's Attorneys, and the Vermont Association of Chiefs of Police shall report to the House and Senate Committees on Judiciary regarding establishing an alternative to 13 V.S.A. § 4019 for conducting background checks on private firearms sales. The option shall permit a purchaser to obtain a background check from a law

enforcement agency rather than a federally licensed firearms dealer when purchasing the firearm from a private person instead of the dealer. The report shall analyze the cost and efficiency of obtaining the background check from the law enforcement agency rather than the dealer, and shall include a recommendation as to whether such an option should be created by the General Assembly.

Sec. 11. REPEAL

13 V.S.A. § 4021(d)(1)(F) shall be repealed on July 1, 2019.

Sec. 12. EFFECTIVE DATES

(a) This section and Secs. 1-8, and Secs. 10-11 shall take effect upon passage.

(b) Sec. 9 (bump stocks) shall take effect on October 1, 2018.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Rodgers moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By striking Secs. 7 and 8 in their entirety, and by renumbering the remaining sections to be numerically correct.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment as recommended by Senator Rodgers?, Senator Sears moved to substitute the proposal of amendment of Senator Rodgers with the following amendment thereto:

First: In Sec. 6, 13 V.S.A. § 4019, in subdivision (a)(2), after the following: "parent," by inserting the following: in-law,

Second: In Sec. 7, 13 V.S.A. § 4020, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) This section shall not apply to:

(1) a law enforcement officer;

(2) an active or veteran member of the Vermont National Guard, of the National Guard of another state, or of the U.S. Armed Forces;

(3) a person who provides the seller with a certificate of satisfactory completion of a Vermont hunter safety course;

(4) a person who provides the seller with a certificate of satisfactory completion of a hunter safety course in another state or a province of Canada; or;

(5) a person who provides the seller with documentation of satisfactory completion of a firearms course authorized by the National Rifle Association, National 4-H Shooting Sports, or Boy Scouts of America Shooting Sports.

Third: By striking out Sec. 8 in its entirety.

Fourth: In Sec. 9, 13 V.S.A. § 4022(c), after the word "collection" by inserting the words and destruction

Fifth: By striking out Sec. 11 in its entirety.

Sixth: By striking out Sec. 12 (Effective Dates) in its entirety and inserting in lieu thereof a new section to be Sec. 10 to read as follows:

Sec. 10. EFFECTIVE DATES

(a) This section and Secs. 1–7 and 9 shall take effect on passage.

(b) Sec. 8 (bump stocks) shall take effect on October 1, 2018.

And by renumbering all the sections of the bill to be numerically correct.

Which was agreed to Yeas 30, Nays 0.

Senator Brock 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, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Flory, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment as moved by Senator Rodgers, as substituted?, was disagreed to on a roll call, Yeas 12, Nays 18.

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: Benning, Branagan, *Brock, Collamore, Flory, Kitchel, MacDonald, Mazza, Nitka, Sears, Soucy, Westman.

Those Senators who voted in the negative were: Ashe, Ayer, Balint, Baruth, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Lyons,

McCormack, Pearson, Pollina, Rodgers, Sirotkin, Starr, White.

*Senator Brock explained his vote as follows:

My "Yes" vote today was for the purpose of addressing numerous errors and endorsing the removal from this bill of unwarranted restrictions on the size of firearms magazines. I do not support many of the remaining provisions of the underlying bill as evidenced by my earlier "No" vote. I remain concerned that today in concurring with the underlying bill we have infringed on the rights of thousands of law-abiding Vermonters, while failing to prevent to deter future acts of violence. Our efforts would have been much better directed at identifying threats, enhancing security of our schools, improving our mental health system and enforcing laws already on the books.

Thereupon, the pending question, Shall the Senate concur in the House proposal of amendment?, was agreed to on a roll call, Yeas 17, Nays 13.

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, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Lyons, MacDonald, McCormack, Pearson, Pollina, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Branagan, Brock, Collamore, Flory, Kitchel, Mazza, Nitka, Rodgers, *Sears, Soucy, Starr, Westman.

*Senator Sears explained his vote as follows:

Mr. President,

It is unfortunate that I am forced to vote no on a bill that I reported and sponsored. When I have looked at a firearms restrictions I have been guided by one principle; will the proposed legislation keep firearms out of the hands of individuals who should not possess them. However when law enforcement officers, our attorney general and our states attorneys tell us that something is unenforceable we should listen. Yes most Vermonters are law abiding and will follow the law so I ask who is this legislation designed to impact law abiding citizen's or the criminal element and deranged individual's who by will not abide by this law. For that reason I cannot support the sections that deal with magazines. In addition this section may very well be unconstitutional under the Vermont constitution.

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. Head and others,

By Senator Cummings,

H.C.R. 291.

House concurrent resolution congratulating the Vermont State Housing Authority on its 50th anniversary.

By Reps. Fagan and others,

By Senators Collamore, Flory and Soucy,

H.C.R. 292.

House concurrent resolution congratulating the 2018 Rutland High School Division I championship cheerleading team.

By Reps. Turner and others,

H.C.R. 293.

House concurrent resolution congratulating Milton High School senior Nick Johnson on his varsity athletic achievements.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 294.

House concurrent resolution congratulating Southwestern Medical Center on its centennial anniversary.

By Reps. Jickling and Hooper,

H.C.R. 295.

House concurrent resolution congratulating the Vermont teams participating in the 2017–2018 FIRST robotics competitions.

By Reps. Donahue and Lewis,

By Senators Brooks, Cummings and Pollina,

H.C.R. 296.

House concurrent resolution congratulating the 2017 Northfield High School Marauders Division III championship girls' cross-country team.

By Reps. Myers and others,

H.C.R. 297.

House concurrent resolution congratulating William O'Neil on his 2018 induction into the National Federation of State High School Associations' Hall of Fame.

By Reps. Giambatista and others,

H.C.R. 298.

House concurrent resolution honoring the TRIO academic programs in Vermont and designating March 29, 2018 as TRIO Day at the State House.

By Reps. Stuart and others,

By Senators Balint and White,

H.C.R. 299.

House concurrent resolution congratulating the Brattleboro Floral Arts and Garden Club on its 50th anniversary.

By Reps. Myers and others,

H.C.R. 300.

House concurrent resolution congratulating Melba Masse on her induction into the Vermont Sports Hall of Fame.

By Reps. Canfield and others,

By Senators Collamore, Flory and Soucy,

H.C.R. 301.

House concurrent resolution congratulating the 2018 Fair Haven Union High School Slaters Division II championship boys' basketball team.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, April 3, 2018, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 53.

TUESDAY, APRIL 3, 2018

The Senate was called to order by the President.