

**Journal of the Senate**

**of the**

**STATE OF VERMONT**

**SPECIAL SESSION 2018**



# Journal of the Senate of the State of Vermont Special Session 2018

---

WEDNESDAY, MAY 23, 2018

The Senate was called to order by the President.

### Devotional Exercises

A moment of silence was observed in lieu of devotions.

### Pledge of Allegiance

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

The roll of the Senate was thereupon called by the Secretary, John H. Bloomer, Jr., and it appeared that the following Senators were present.

Addison District	Senator Claire D. Ayer Senator Christopher A. Bray
Bennington District	Senator Brian A. Campion Senator Richard W. Sears, Jr.
Caledonia District	Senator M. Jane Kitchel
Chittenden District	Senator Timothy R. Ashe Senator Philip E. Baruth Senator Deborah J. Ingram Senator Virginia V. Lyons Senator Christopher A. Pearson Senator Michael D. Sirotkin
Essex-Orleans District	Senator John S. Rodgers Senator Robert A. Starr
Franklin District	Senator Carolyn Whitney Branagan
Grand Isle District	Senator Richard T. Mazza
Lamoille District	Senator Richard A. Westman
Orange District	Senator Mark A. MacDonald
Rutland District	Senator Margaret K. Flory Senator David J. Soucy

---

Washington District	Senator Francis K. Brooks Senator Ann E. Cummings Senator Anthony Pollina
Windham District	Senator Rebecca A. Balint Senator Jeanette K. White
Windsor District	Senator Alison Clarkson Senator Richard J. McCormack Senator Alice W. Nitka

### **Governor's Proclamation**

The following proclamation of His Excellency, the Governor, convening the General Assembly in Special Session, was read by the Secretary:

#### “PROCLAMATION

#### CALL FOR A SPECIAL SESSION OF THE VERMONT GENERAL ASSEMBLY

I, Philip B. Scott, Governor of the State of Vermont, by virtue of the authority vested in me by the Constitution, find it necessary to call together the Vermont General Assembly, and I do hereby summon the members of the Senate and House of Representatives to meet in their respective chambers in the State House, together with the officers of the two Houses, on Wednesday, the 23rd day of May, A.D., 2018, at 10:00 in the forenoon, for the purposes of providing Vermonters property tax relief through level statewide property tax rates, stabilizing the State's system of education finance and make appropriations for State government for fiscal year 2019.

WITNESS my name hereunto subscribed and the Great Seal of the State of Vermont hereunto affixed at Montpelier this 18th day of May, A.D., 2018.

/s/Philip B. Scott  
Governor

By the Governor:

/s/Brittney L. Wilson  
Secretary of Civil and Military Affairs”

### **Senate Resolutions Adopted**

Senate resolutions of the following titles were severally offered, read and adopted, and are as follows:

By the Committee on Rules,

**S.R. 1.** Senate resolution relating to adoption of rules to govern the Special Session of 2018.

***Resolved by the Senate:***

That during the Special Session of 2018 commencing on May 23, 2018, by call of the Governor issued on May 18, 2018, the Senate does hereby adopt as its rules for this Special Session, the rules as previously adopted for the 2017 regular session except for Rules 39, 41, and 100, with the following additions thereto:

*Rule 33A.* Bills and joint resolutions to be placed on the Calendar for notice and subsequent action shall comprise solely those bills and resolutions consisting of matters introduced during the Special Session; upon adjournment *sine die* of the Special Session all such matters contained in these new bills and resolutions not enacted into law shall terminate automatically and be of no further force and effect.

*Rule 39A.* No bill or resolution may be introduced during this Special Session unless it is a bill or resolution introduced by the Committee on Rules or a committee bill or resolution introduced with the consent of the Committee on Rules.

All House bills shall be referred to the Committee on Rules, which may report any bills referred to it for reference to another Committee of jurisdiction pursuant to Senate Rule 24.

*Rule 100A.* Joint rules adopted during the 2017 regular session by the legislature shall be in full force and effect during this Special Session.

By the Committee on Rules,

**S.R. 2.** Senate resolution relating to appointment of a Committee to inform the Governor of the organization of the Senate.

***Resolved by the Senate:***

That a Committee of two Senators be appointed to wait upon His Excellency, the Governor, and inform him that the Senate has organized and is ready on its part to proceed with the business of the Special Session

By the Committee on Rules,

**S.R. 3.** Senate resolution relating to informing the House of the organization of the Senate.

***Resolved by the Senate:***

That the Secretary be directed to inform the House of Representatives that a quorum of the Senate has assembled and is ready on its part to proceed with the business of the Special Session.

**Committee Appointed**

Pursuant to the provisions of S.R. 2, the President appointed a Committee to wait upon His Excellency, the Governor, to inform him that the Senate is ready on its part to proceed with the business of the session:

Senator Ingram  
Senator Clarkson

**Report of Committee**

Senator Ingram, of Chittenden District, for the Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate is ready on its part to proceed with the business of the session, appeared at the bar of the Senate and reported that it had performed the duties assigned to it.

**Message from the House No. 1  
Special Session**

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 assembled and is ready to conduct the business of the Special Session of 2018.

**Message from the House No. 2  
Special Session**

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 adopted joint resolution of the following title:

**J.R.H. 1.** Joint resolution relating to weekend adjournment.

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

**Joint Resolution Adopted in Concurrence****J.R.H. 1.**

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

By the Committee on Rules,

**J.R.H. 1.** Joint resolution relating to weekend adjournment.

***Resolved by the Senate and House of Representatives:***

That when the two Houses adjourn for the week on Wednesday, May 23, 2018, Thursday, May 24, 2018 or Friday, May 25, 2018, it be to meet again no later than Tuesday, May 29, 2018.

### **Committee Bills Introduced**

Senate committee bills of the following titles were severally introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

#### **S. 1.**

By the Committee on Rules,

An act relating to co-payment limits for chiropractic care and physical therapy.

#### **S. 2.**

By the Committee on Rules,

An act relating to regulating finance leases for credit card terminals.

#### **S. 3.**

By the Committee on Rules,

An act relating to sexual exploitation of students.

### **Rules Suspended; Third Reading Ordered, Rules Suspended; Bill Passed; Bill Messaged**

#### **S. 1.**

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

An act relating to co-payment limits for chiropractic care and physical therapy.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage forthwith.

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

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

**Rules Suspended; Third Reading Ordered, Rules Suspended; Bill Passed;  
Bill Messaged**

**S. 2.**

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

An act relating to regulating finance leases for credit card terminals.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage forthwith.

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

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

**Rules Suspended; Third Reading Ordered, Rules Suspended; Bill Passed;  
Bill Messaged**

**S. 3.**

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

An act relating to sexual exploitation of students.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage forthwith.

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

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

**Adjournment**

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, May 29, 2018, at ten o'clock and thirty minutes in the forenoon pursuant to J.R.H. 1.



---

**TUESDAY, MAY 29, 2018**

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

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

On motion of Senator Pearson, the Senate adjourned until ten o'clock in the morning on Thursday, May 31, 2018.

---

**THURSDAY, MAY 31, 2018**

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. 3**

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. 7.** An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery.

**H. 8.** An act relating to boards and commissions.

**H. 9.** An act relating to the fair repair of consumer electronic devices.

**H. 10.** An act relating to transportation network companies.

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. 2.** An act relating to regulating finance leases for credit card terminals.

**S. 3.** An act relating to sexual exploitation of students.

And has passed the same in concurrence.

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

**S. 1.** An act relating to co-payment limits for chiropractic care and physical therapy.

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

#### **Bills Referred**

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

#### **H. 7.**

An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery.

To the Committee on Rules.

#### **H. 8.**

An act relating to boards and commissions.

To the Committee on Rules.

#### **H. 9.**

An act relating to the fair repair of consumer electronic devices.

To the Committee on Rules.

#### **H. 10.**

An act relating to transportation network companies.

To the Committee on Rules.

#### **Adjournment**

On motion of Senator Brock, the Senate adjourned two o'clock in the afternoon on Friday, June 1, 2018.

---

**FRIDAY, JUNE 1, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 2:00 P.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

---

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

On motion of Senator Soucy, the Senate adjourned until ten o'clock in the morning on Monday, June 4, 2018.

---

**MONDAY, JUNE 4, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Message from the House No. 4**

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 adopted House concurrent resolution of the following title:

**H.C.R. 1.** House concurrent resolution in memory of Valley Voice publisher Cheryl N. White of Bridport.

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

**Adjournment**

At 10:15 A.M. in the morning and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Tuesday, June 5, 2018.

---

**TUESDAY, JUNE 5, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. in the morning and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on, Wednesday, June 6, 2018.

---

**WEDNESDAY, JUNE 6, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Message from the House No. 5**

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

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

**Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on, Thursday, June 7, 2018.

---

**THURSDAY, JUNE 7, 2018**

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

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

---

**Pledge of Allegiance**

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

**Bill Referred**

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

**H. 13.**

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

To the Committee on Rules.

**Adjournment**

On motion of Senator Mazza, the Senate adjourned until two o'clock in the afternoon.

**Called to Order**

The Senate was called to order by the President.

**Senate Resolution Adopted**

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

By the Committee on Rules,

**S.R. 4.** Senate resolution reaffirming support for the Joint Fiscal Office and the nonpartisan nature of its work.

*Whereas*, the Joint Fiscal Office has provided trusted, nonpartisan analysis of fiscal issues to all members of the General Assembly for decades, and

*Whereas*, the Joint Fiscal Office conducts its analysis on the same independent and neutral basis for the newest member of the minority party as it would for the most senior member of the majority party, and

*Whereas*, the integrity with which the Joint Fiscal Office performs its duties allows the General Assembly to work with fiscal estimates and analysis free from any partisan bias, and

*Whereas*, in recent weeks the nonpartisan nature of the Joint Fiscal Office has been called into question by an individual in the Executive Branch, and

*Whereas*, Vermont's political culture has until now resisted attempts to undermine public confidence in nonpartisan staff in the manner seen in Washington, D.C., *now therefore be it*

***Resolved by the Senate:***

That the Vermont Senate affirms its continued support for the Joint Fiscal Office in the face of attempts to malign its integrity and reaffirms that the Joint Fiscal Office's work is free from political interference or partisan bias, *and be it further*

**Resolved:** That the Secretary of the Senate be directed to send a copy of this resolution to Stephen Klein, Chief Fiscal Officer of the Joint Fiscal Office, and to Governor Philip B. Scott.

Which was adopted on a roll call, Yeas 25, 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, Balint, Baruth, Branagan, Bray, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Rodgers, Sears, Sirotkin, Soucy, Starr, Westman, White.

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Ayer, Benning, Flory, Pearson, Pollina.

#### **Committee Bills Introduced**

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

##### **S. 4.**

By the Committee on Judiciary,

An act relating to miscellaneous judiciary procedures.

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

##### **S. 5.**

By the Committee on Government Operations,

An act relating to the mitigation of systemic racism.

Senate committee bill of the following title was introduced, read the first time, and, under the rule, placed on the Calendar for notice the next legislative day:

**S. 6.**

By the Committee on Economic Development, Housing and General Affairs,

An act relating to short-term rentals.

**House Proposal of Amendment Concurred In****S. 1.**

House proposal of amendment to Senate bill entitled:

An act relating to co-payment limits for chiropractic care and physical therapy.

Was taken up.

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

First: In Sec. 2, 8 V.S.A. § 4088a, in subdivision (a)(4), following “under the plan,” by striking out “, up to a maximum of 50 percent of the total reimbursement amount to the chiropractic physician for providing the services”

Second: In Sec. 3, 8 V.S.A. § 4088k, following “under the plan,” by striking out “, up to a maximum of 50 percent of the total reimbursement amount to the physical therapist for providing the services”

Third: In Sec. 5, health insurance coverage for non-opioid approaches to treating and managing pain; report, in subdivision (b)(3), following “total charge”, by inserting “or reimbursement”

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

**Rules Suspended; Bills Pending Entry on Notice Calendar taken up for Immediate Consideration**

Senator Ashe moved the rules be suspended and the following bills be taken up for immediate consideration:

**H. 7, H. 8, H. 9, H. 10, H. 13, S. 4, S. 5, S. 6.**

Which was agreed to, on a roll call, Yeas 21, Nays 4 (the necessary 3/4ths vote being attained).

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:** Ashe, Balint, Baruth, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Rodgers, Sears, Sirotkin, Starr, Westman, White.

**Those Senators who voted in the negative were:** Branagan, Brock, Collamore, Soucy.

**Those Senators absent and not voting were:** Ayer, Benning, Flory, Pearson, Pollina.

**Third Readings Ordered; Rules Suspended; Bills Passed In Concurrence****H. 7.**

House bill entitled:

An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

**H. 8.**

House bill entitled:

An act relating to boards and commissions.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

**H. 9.**

House bill entitled:

An act relating to the fair repair of consumer electronic devices.

Was taken up for immediate consideration.



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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

#### **H. 10.**

House bill entitled:

An act relating to transportation network companies.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

#### **Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence**

#### **H. 13.**

House bill entitled:

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

Was taken up for immediate consideration.

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

Thereupon, pending the question, Shall the bill be read third time?, Senators Brock, Branagan, Collamore and Soucy moved that the Senate propose to the House to amend the bill by renumbering Sec. H.11a (intents) to be Sec. H.11b, and by inserting a new Sec. H.11a to read as follows:

Sec. H.11a 32 V.S.A. § 5402(a)(1) is amended to read:

(1) The tax rate for nonresidential property shall be ~~\$1.59 per \$100.00~~ the same as in the prior fiscal year, unless set otherwise by the General Assembly.

Which was disagreed to on a roll call, Yeas 5, Nays 20.

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:** Branagan, Brock, Collamore, Soucy, Westman.

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

**Those Senators absent and not voting were:** Ayer, Benning, Flory, Pearson, Pollina.

Thereupon, third reading of the bill was ordered on a roll call, Yeas 22, Nays 3.

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, Balint, Baruth, Branagan, Bray, Brooks, Campion, Clarkson, Cummings, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Rodgers, Sears, Sirotkin, Starr, Westman, White.

**Those Senators who voted in the negative were:** Brock, Collamore, Soucy.

**Those Senators absent and not voting were:** Ayer, Benning, Flory, Pearson, Pollina.

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

Thereupon, the bill was passed in concurrence.

**Third Readings Ordered; Rules Suspended; Bills Passed****S. 4.**

Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

**S. 5.**

Senate bill entitled:

An act relating to the mitigation of systemic racism.

Was taken up for immediate consideration.

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

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

**S. 6.**

Senate bill entitled:

An act relating to short-term rentals.

Was taken up for immediate consideration.

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

Senator Nitka requested and was granted leave to be excused from voting on this question pursuant to the provisions of Senate Rules 69.

Thereupon, third reading of the bill was ordered.

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

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

**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. 4, S. 5, S. 6, H. 7, H. 8, H. 9, H. 10, H. 13.**

**House Concurrent Resolution**

The following joint concurrent resolution having been placed on the consent calendar on May 31, 2018, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted in concurrence:

By Reps. Smith and others,

By Senators Ayer and Bray,

**H.C.R. 1.**

House concurrent resolution in memory of Valley Voice publisher Cheryl N. White of Bridport.

**Adjournment**

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning.

---

**FRIDAY, JUNE 8, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. in the morning and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until one o'clock in the afternoon on, Monday, June 11, 2018.

---

**MONDAY, JUNE 11, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 1:00 P.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 1:15 P.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Wednesday, June 13, 2018.

---

**WEDNESDAY, JUNE 13, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Friday, June 15, 2018.

---

**FRIDAY, JUNE 15, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Monday, June 18, 2018.

---

**MONDAY, JUNE 18, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Message from the House No. 6**

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 Governor has informed the House that on June 14, 2018, he returned without signature and vetoed a bill originating in the House of the following title:

**H. 13.** An act relating to making appropriations for the support of government.

**Text of Communication from Governor**

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 13** to the House is as follows:

“June 14, 2018

The Honorable William M. MaGill  
Clerk of the Vermont House of Representatives  
115 State Street  
Montpelier, VT 05633

Dear Mr. MaGill:

I appreciate that the new budget sets the homestead “yield” at the current level, and that some effort was made to separate the remaining areas of disagreement from the budget. I also appreciate that several amendments to H.13, though they were not adopted, were introduced by both Democrats and Republicans in the House and Senate. These amendments, if they had passed, would have either removed a \$23 million tax rate increase set to occur on July 1<sup>st</sup> or set the non-residential rate for fiscal year 2019 at the current level. Either of these approaches could lead to a reasonable and timely compromise.

As you know, as a matter of principle, I believe Vermonters deserve a break and the opportunity to keep more of what they earn. I also believe employers need a more stable and predictable environment in which they can invest, grow and create more good jobs. I understand, and respect, not everyone in the Legislature shares this point of view.

Nevertheless, our large and growing surplus (\$55.5 million since the January 2018 consensus forecast), combined with other unanticipated revenue, allows us to craft a budget and tax bill that fully funds school budgets, keeps statewide property tax rates level and makes a significant payment towards the unfunded teachers’ retirement debt.

---

Unfortunately, as the Administration and others have noted, H.13 leaves in place an automatic \$23 million (5.5 cent) property tax rate increase on non-residential payers – our rental property owners and renters, camp owners, and employers.

Without a commitment from legislative leaders that we can achieve level property tax rates, or an amendment that would prevent the automatic 5.5 cent property tax rate increase on non-residential payers, I cannot support H.13. As a result, pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.13, *An act relating to making appropriations for the support of government*, without my signature because of my objections described herein.

\*\*\*

As noted, I do understand that many members of the Legislature do not share my view on avoiding tax increases. If the Legislature does not agree with my reasoning, the Constitution provides a mechanism – a veto override vote – to resolve the disagreement.

If my decision is sustained, there is ample time for the Legislature to work with the Administration to pass a budget and tax bill I can support.

One easy solution to resolve the budget debate would be to send me a new bill that prevents the automatic increase in the non-residential rate. This would ensure we have a budget in place long before July 1 and require us to work together, on a level playing field, to resolve our remaining differences in the tax bill.

\*\*\*

It is important for Vermonters to know that there are many other options available to the Legislature to ensure government operations are not, in anyway, impacted by our discussions. As I have said many times, I do not want to see any disruption in government services, and I believe the Legislature shares this goal as well.

For this reason, I have directed my Administration to proceed with the full expectation that state government will be entirely operational on July 1<sup>st</sup>. Here is why:

First, our area of disagreement is very small and given our \$55 million surplus, which is expected to continue to grow, we do not need to increase statewide property tax rates to fully fund school budgets or reduce the debt in the teachers' retirement system.

Second, we have plenty of time to come to agreement well in advance of July 1<sup>st</sup>. I'm confident with more focus – and an earnest commitment to meet

in open session to discuss how we come to agreement – we can resolve the one remaining area of disagreement in a short amount of time.

So, as I have noted above, my Administration will proceed with the full expectation that state government will be fully funded on July 1<sup>st</sup>, unless the Legislature decides otherwise.

\*\*\*

We are four weeks into the Special Session, and I remain ready to work with the Legislature to achieve a consensus that will fully fund school budgets and strengthen our education system without raising property taxes in a year of unprecedented surplus and unexpected revenue.

I have directed my staff to make meetings with the Legislature our top priority and we will make ourselves available to them every day, and every night if necessary, to reach a resolution on this important matter.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

### **Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o’clock in the forenoon on Tuesday, June 19, 2018.

---

**TUESDAY, JUNE 19, 2018**

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

### **Recess**

On motion of Senator Bray the Senate recessed until 11:50 A.M.

### **Called to Order**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 11:50 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.



---

**Adjournment**

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

**Afternoon**

The Senate was called to order by the President.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Pledge of Allegiance**

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

**House Concurrent Resolutions**

The following joint concurrent resolutions having been placed on the consent calendars on June 8, 2018 and June 14, 2018, 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. Sabilia and others,

**H.C.R. 2.**

House concurrent resolution honoring outstanding Windham County music educator Andrew Davis.

By Reps. Smith and Batchelor,

**H.C.R. 3.**

House concurrent resolution congratulating Gisele Seymour of Derby on her centennial birthday.

By Rep. Weed,

**H.C.R. 4.**

House concurrent resolution in memory of orchestral conductor and music scholar Andrew Massey of Montgomery.

**Message from the House No. 7**

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. 1.** An act relating to sexual exploitation of a person in law enforcement officer custody.

**H. 16.** An act relating to vital records.

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. 4.** An act relating to miscellaneous judiciary procedures.

**S. 5.** An act relating to the mitigation of systemic racism.

And has passed the same in concurrence.

#### **Message from the House No. 8**

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 adopted House concurrent resolutions of the following titles:

**H.C.R. 2.** House concurrent resolution honoring outstanding Windham County music educator Andrew Davis.

**H.C.R. 3.** House concurrent resolution congratulating Gisele Seymour of Derby on her centennial birthday.

**H.C.R. 4.** House concurrent resolution in memory of orchestral conductor and music scholar Andrew Massey of Montgomery.

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

#### **Message from the Governor**

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the nineteenth day of June, 2018 he approved and signed bills originating in the Senate of the following titles:

**S. 2.** An act relating to regulating finance leases for credit card terminals.

**S. 3.** An act relating to sexual exploitation of students.

---

**Adjournment**

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

---

**WEDNESDAY, JUNE 20, 2018**

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

**Bills Referred**

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

**H. 1.**

An act relating to sexual exploitation of a person in law enforcement officer custody.

To the Committee on Rules.

**H. 16.**

An act relating to vital records.

To the Committee on Rules.

**Adjournment**

On motion of Senator Bray, the Senate adjourned until four o'clock and thirty minutes in the afternoon.

**Called to Order**

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

**Message from the House No. 9**

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 Governor has informed the House that on June 19, 2018, he approved and signed bills originating in the House of the following titles:

**H. 7.** An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery.

**H. 8.** An act relating to boards and commissions.

**H. 10.** An act relating to transportation network companies.

**Adjournment**

The time of 4:30 P.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until two o'clock in the afternoon on Thursday, June 21, 2018.

---

**THURSDAY, JUNE 21, 2018**

The Senate was called to order by the President.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Rules Suspended; Proposal of Amendment; Third Reading Ordered;  
Rules Suspended; Bill Passed in Concurrence with Proposal of  
Amendment; Bill Messaged****H. 16.**

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

An act relating to vital records.

Was taken up for immediate consideration.

Senator Ashe, for the Committee on Rules, to which the bill was referred, reported that the bill ought to pass in concurrence.

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

Thereupon, pending the question, Shall the bill be read third time?, Senators Kitchel, Cummings, Baruth, Ashe, Benning, Branagan, Bray, Brock, Champion, Lyons, MacDonald, McCormack, Nitka, Sirotkin, Starr and Westman 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. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2019 Appropriations Act.

---

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2019. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those which can be supported by funds appropriated in this act or other acts passed prior to June 30, 2018. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2019 so as to meet this condition unless otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2019.

(b) The sums herein stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single-year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2019.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) "Encumbrances" means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) "Grants" means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) "Operating expenses" means property management, repair and maintenance, rental expenses, insurance, postage, travel, energy and utilities, office and other supplies, equipment, including motor vehicles, highway materials, and construction, expenditures for the purchase of land and construction of new buildings and permanent improvements, and similar items.

(4) "Personal services" means wages and salaries, fringe benefits, per diems, contracted third-party services, and similar items.

#### Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

#### Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

#### Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2019, the Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds herein designated as federal. The Governor, with the approval of the Legislature or the Joint Fiscal Committee if the Legislature is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2019, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2018 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for no more than 45 days prior to Legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

#### Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2019 except for new positions authorized by the 2018 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction, nor shall positions created pursuant to the Position Pilot Program authorized in 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by

2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No. 172, Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, and as further amended by Sec. E.100.1 of this act.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain miscellaneous and technical statutory corrections, H sections contain personal tax and revenue allocation changes, and the I sections contain vital records amendments.

Sec. B.100 Secretary of administration - secretary's office

Personal services	783,191
Operating expenses	<u>203,429</u>
Total	986,620
Source of funds	
General fund	886,620
Special funds	<u>100,000</u>
Total	986,620

---

Sec. B.101 Secretary of administration - finance	
Personal services	1,144,274
Operating expenses	<u>135,457</u>
Total	1,279,731
Source of funds	
Interdepartmental transfers	<u>1,279,731</u>
Total	1,279,731
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	537,944
Operating expenses	<u>238,973</u>
Total	776,917
Source of funds	
Internal service funds	<u>776,917</u>
Total	776,917
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	573,575
Operating expenses	<u>73,548</u>
Total	647,123
Source of funds	
Internal service funds	<u>647,123</u>
Total	647,123
Sec. B.104 Secretary of administration - all other insurance	
Personal services	22,982
Operating expenses	<u>16,066</u>
Total	39,048
Source of funds	
Internal service funds	<u>39,048</u>
Total	39,048
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	47,776,877
Operating expenses	<u>21,008,573</u>
Total	68,785,450
Source of funds	
General fund	177,615
Special funds	383,700
Internal service funds	67,963,553



Interdepartmental transfers	<u>260,582</u>
Total	68,785,450
Sec. B.106 Finance and management - budget and management	
Personal services	1,404,712
Operating expenses	<u>202,070</u>
Total	1,606,782
Source of funds	
General fund	1,258,956
Internal service funds	<u>347,826</u>
Total	1,606,782
Sec. B.107 Finance and management - financial operations	
Personal services	2,156,558
Operating expenses	<u>654,972</u>
Total	2,811,530
Source of funds	
Internal service funds	<u>2,811,530</u>
Total	2,811,530
Sec. B.108 Human resources - operations	
Personal services	7,996,814
Operating expenses	<u>964,845</u>
Total	8,961,659
Source of funds	
General fund	1,940,451
Special funds	277,462
Internal service funds	6,206,438
Interdepartmental transfers	<u>537,308</u>
Total	8,961,659
Sec. B.108.1 Human resources - VTHR operations	
Personal services	1,742,267
Operating expenses	<u>826,247</u>
Total	2,568,514
Source of funds	
Internal service funds	<u>2,568,514</u>
Total	2,568,514
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	1,086,810
Operating expenses	<u>588,021</u>
Total	1,674,831

Source of funds	
Internal service funds	<u>1,674,831</u>
Total	1,674,831
Sec. B.110 Libraries	
Personal services	1,896,316
Operating expenses	1,141,410
Grants	<u>246,453</u>
Total	3,284,179
Source of funds	
General fund	2,025,918
Special funds	97,571
Federal funds	1,064,162
Interdepartmental transfers	<u>96,528</u>
Total	3,284,179
Sec. B.111 Tax - administration/collection	
Personal services	13,739,129
Operating expenses	<u>6,661,305</u>
Total	20,400,434
Source of funds	
General fund	18,686,980
Special funds	1,570,888
Interdepartmental transfers	<u>142,566</u>
Total	20,400,434
Sec. B.112 Buildings and general services - administration	
Personal services	658,069
Operating expenses	<u>98,172</u>
Total	756,241
Source of funds	
Interdepartmental transfers	<u>756,241</u>
Total	756,241
Sec. B.113 Buildings and general services - engineering	
Personal services	2,580,949
Operating expenses	<u>851,576</u>
Total	3,432,525
Source of funds	
Interdepartmental transfers	<u>3,432,525</u>
Total	3,432,525

---

Sec. B.114 Buildings and general services - information centers	
Personal services	3,360,294
Operating expenses	1,566,365
Grants	<u>35,750</u>
Total	4,962,409
Source of funds	
General fund	642,885
Transportation fund	3,868,566
Special funds	<u>450,958</u>
Total	4,962,409
Sec. B.115 Buildings and general services - purchasing	
Personal services	1,035,471
Operating expenses	<u>194,860</u>
Total	1,230,331
Source of funds	
General fund	<u>1,230,331</u>
Total	1,230,331
Sec. B.116 Buildings and general services - postal services	
Personal services	744,615
Operating expenses	<u>116,495</u>
Total	861,110
Source of funds	
General fund	85,063
Internal service funds	<u>776,047</u>
Total	861,110
Sec. B.117 Buildings and general services - copy center	
Personal services	744,283
Operating expenses	<u>127,416</u>
Total	871,699
Source of funds	
Internal service funds	<u>871,699</u>
Total	871,699
Sec. B.118 Buildings and general services - fleet management services	
Personal services	698,806
Operating expenses	<u>234,969</u>
Total	933,775
Source of funds	

Internal service funds	<u>933,775</u>
Total	933,775
Sec. B.119 Buildings and general services - federal surplus property	
Personal services	20,052
Operating expenses	<u>6,239</u>
Total	26,291
Source of funds	
Enterprise funds	<u>26,291</u>
Total	26,291
Sec. B.120 Buildings and general services - state surplus property	
Personal services	160,360
Operating expenses	<u>110,630</u>
Total	270,990
Source of funds	
Internal service funds	<u>270,990</u>
Total	270,990
Sec. B.121 Buildings and general services - property management	
Personal services	1,197,164
Operating expenses	<u>457,316</u>
Total	1,654,480
Source of funds	
Internal service funds	<u>1,654,480</u>
Total	1,654,480
Sec. B.122 Buildings and general services - fee for space	
Personal services	16,277,217
Operating expenses	<u>13,710,792</u>
Total	29,988,009
Source of funds	
Internal service funds	<u>29,988,009</u>
Total	29,988,009
Sec. B.124 Executive office - governor's office	
Personal services	1,384,251
Operating expenses	<u>460,831</u>
Total	1,845,082
Source of funds	
General fund	1,658,582
Interdepartmental transfers	<u>186,500</u>
Total	1,845,082

---

Sec. B.125	Legislative council	
	Personal services	4,063,930
	Operating expenses	<u>827,857</u>
	Total	4,891,787
	Source of funds	
	General fund	<u>4,891,787</u>
	Total	4,891,787
Sec. B.126	Legislature	
	Personal services	4,091,578
	Operating expenses	<u>3,809,338</u>
	Total	7,900,916
	Source of funds	
	General fund	<u>7,900,916</u>
	Total	7,900,916
Sec. B.127	Joint fiscal committee	
	Personal services	1,696,568
	Operating expenses	<u>159,358</u>
	Total	1,855,926
	Source of funds	
	General fund	<u>1,855,926</u>
	Total	1,855,926
Sec. B.128	Sergeant at arms	
	Personal services	737,216
	Operating expenses	<u>68,612</u>
	Total	805,828
	Source of funds	
	General fund	<u>805,828</u>
	Total	805,828
Sec. B.129	Lieutenant governor	
	Personal services	223,583
	Operating expenses	<u>30,968</u>
	Total	254,551
	Source of funds	
	General fund	<u>254,551</u>
	Total	254,551

---

Sec. B.130 Auditor of accounts	
Personal services	3,343,827
Operating expenses	<u>158,619</u>
Total	3,502,446
Source of funds	
General fund	390,871
Special funds	53,145
Internal service funds	<u>3,058,430</u>
Total	3,502,446
Sec. B.131 State treasurer	
Personal services	3,653,014
Operating expenses	<u>211,031</u>
Total	3,864,045
Source of funds	
General fund	969,366
Special funds	2,781,017
Interdepartmental transfers	<u>113,662</u>
Total	3,864,045
Sec. B.132 State treasurer - unclaimed property	
Personal services	821,158
Operating expenses	<u>304,543</u>
Total	1,125,701
Source of funds	
Private purpose trust funds	<u>1,125,701</u>
Total	1,125,701
Sec. B.133 Vermont state retirement system	
Personal services	6,111,601
Operating expenses	<u>1,365,073</u>
Total	7,476,674
Source of funds	
Pension trust funds	<u>7,476,674</u>
Total	7,476,674
Sec. B.134 Municipal employees' retirement system	
Personal services	2,215,683
Operating expenses	<u>789,980</u>
Total	3,005,663
Source of funds	

Pension trust funds	<u>3,005,663</u>
Total	3,005,663
Sec. B.135 State labor relations board	
Personal services	212,663
Operating expenses	<u>48,378</u>
Total	261,041
Source of funds	
General fund	251,465
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	261,041
Sec. B.136 VOSHA review board	
Personal services	75,650
Operating expenses	<u>13,016</u>
Total	88,666
Source of funds	
General fund	44,333
Interdepartmental transfers	<u>44,333</u>
Total	88,666
Sec. B.136.1 Ethics Commission	
Personal services	106,862
Operating expenses	<u>13,981</u>
Total	120,843
Source of funds	
Internal service funds	<u>120,843</u>
Total	120,843
Sec. B.137 Homeowner rebate	
Grants	<u>16,600,000</u>
Total	16,600,000
Source of funds	
General fund	<u>16,600,000</u>
Total	16,600,000
Sec. B.138 Renter rebate	
Grants	<u>10,500,000</u>
Total	10,500,000
Source of funds	
General fund	10,500,000
Education fund	<u>0</u>
Total	10,500,000

## Sec. B.139 Tax department - reappraisal and listing payments

Grants	<u>3,295,021</u>
Total	3,295,021
Source of funds	
General fund	3,295,021
Education fund	<u>0</u>
Total	3,295,021

## Sec. B.140 Municipal current use

Grants	<u>15,981,672</u>
Total	15,981,672
Source of funds	
General fund	<u>15,981,672</u>
Total	15,981,672

## Sec. B.141 Lottery commission

Personal services	1,881,368
Operating expenses	1,427,706
Grants	<u>100,000</u>
Total	3,409,074
Source of funds	
Enterprise funds	<u>3,409,074</u>
Total	3,409,074

## Sec. B.142 Payments in lieu of taxes

Grants	<u>8,036,000</u>
Total	8,036,000
Source of funds	
Special funds	<u>8,036,000</u>
Total	8,036,000

## Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000

## Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>



Total	40,000
Sec. B.145 Total general government	
Source of funds	
General fund	92,335,137
Transportation fund	3,868,566
Special funds	13,981,529
Education fund	0
Federal funds	1,064,162
Internal service funds	120,710,053
Interdepartmental transfers	6,852,764
Enterprise funds	3,435,365
Pension trust funds	10,482,337
Private purpose trust funds	<u>1,125,701</u>
Total	253,855,614
Sec. B.200 Attorney general	
Personal services	10,228,901
Operating expenses	1,423,414
Grants	<u>26,894</u>
Total	11,679,209
Source of funds	
General fund	5,206,635
Special funds	1,960,836
Tobacco fund	348,000
Federal funds	1,220,634
Interdepartmental transfers	<u>2,943,104</u>
Total	11,679,209
Sec. B.201 Vermont court diversion	
Personal services	874,000
Grants	<u>1,996,483</u>
Total	2,870,483
Source of funds	
General fund	2,270,486
Special funds	<u>599,997</u>
Total	2,870,483
Sec. B.202 Defender general - public defense	
Personal services	11,613,891
Operating expenses	<u>1,082,613</u>
Total	12,696,504
Source of funds	

General fund	12,106,851
Special funds	<u>589,653</u>
Total	12,696,504
Sec. B.203 Defender general - assigned counsel	
Personal services	5,679,410
Operating expenses	<u>49,819</u>
Total	5,729,229
Source of funds	
General fund	<u>5,729,229</u>
Total	5,729,229
Sec. B.204 Judiciary	
Personal services	40,424,989
Operating expenses	9,550,786
Grants	<u>76,030</u>
Total	50,051,805
Source of funds	
General fund	43,911,694
Special funds	3,174,315
Federal funds	640,524
Interdepartmental transfers	<u>2,325,272</u>
Total	50,051,805
Sec. B.205 State's attorneys	
Personal services	13,277,576
Operating expenses	<u>1,834,103</u>
Total	15,111,679
Source of funds	
General fund	12,291,761
Special funds	106,471
Federal funds	31,000
Interdepartmental transfers	<u>2,682,447</u>
Total	15,111,679
Sec. B.206 Special investigative unit	
Personal services	85,000
Operating expenses	1,100
Grants	<u>1,913,000</u>
Total	1,999,100
Source of funds	

General fund	<u>1,999,100</u>
Total	1,999,100
Sec. B.207 Sheriffs	
Personal services	4,111,739
Operating expenses	<u>395,623</u>
Total	4,507,362
Source of funds	
General fund	<u>4,507,362</u>
Total	4,507,362
Sec. B.208 Public safety - administration	
Personal services	2,686,370
Operating expenses	<u>2,992,157</u>
Total	5,678,527
Source of funds	
General fund	2,671,645
Special funds	5,000
Federal funds	263,124
Interdepartmental transfers	<u>2,738,758</u>
Total	5,678,527
Sec. B.209 Public safety - state police	
Personal services	54,187,733
Operating expenses	10,167,293
Grants	<u>1,356,805</u>
Total	65,711,831
Source of funds	
General fund	36,604,914
Transportation fund	20,250,000
Special funds	2,984,667
Federal funds	3,798,422
Interdepartmental transfers	<u>2,073,828</u>
Total	65,711,831
Sec. B.210 Public safety - criminal justice services	
Personal services	4,541,909
Operating expenses	3,505,387
Grants	<u>120,000</u>
Total	8,167,296
Source of funds	
General fund	4,302,246
Special funds	1,930,061

	Federal funds	1,754,848
	Interdepartmental transfers	<u>180,141</u>
	Total	8,167,296
Sec. B.211	Public safety - emergency management	
	Personal services	2,943,888
	Operating expenses	1,351,913
	Grants	<u>9,555,611</u>
	Total	13,851,412
	Source of funds	
	General fund	421,265
	Special funds	230,000
	Federal funds	13,002,034
	Interdepartmental transfers	<u>198,113</u>
	Total	13,851,412
Sec. B.212	Public safety - fire safety	
	Personal services	6,507,997
	Operating expenses	3,372,767
	Grants	<u>107,000</u>
	Total	9,987,764
	Source of funds	
	General fund	399,264
	Special funds	8,667,177
	Federal funds	876,323
	Interdepartmental transfers	<u>45,000</u>
	Total	9,987,764
Sec. B.213	Public safety - Forensic Laboratory	
	Personal services	2,979,721
	Operating expenses	<u>1,345,832</u>
	Total	4,325,553
	Source of funds	
	General fund	3,032,024
	Special funds	94,238
	Federal funds	414,702
	Interdepartmental transfers	<u>784,589</u>
	Total	4,325,553
Sec. B.215	Military - administration	
	Personal services	780,557
	Operating expenses	364,404

Grants	<u>324,000</u>
Total	1,468,961
Source of funds	
General fund	<u>1,468,961</u>
Total	1,468,961
Sec. B.216 Military - air service contract	
Personal services	5,849,570
Operating expenses	<u>892,643</u>
Total	6,742,213
Source of funds	
General fund	575,144
Federal funds	<u>6,167,069</u>
Total	6,742,213
Sec. B.217 Military - army service contract	
Personal services	7,823,655
Operating expenses	<u>6,155,064</u>
Total	13,978,719
Source of funds	
Federal funds	<u>13,978,719</u>
Total	13,978,719
Sec. B.218 Military - building maintenance	
Personal services	752,009
Operating expenses	<u>745,028</u>
Total	1,497,037
Source of funds	
General fund	1,437,037
Special funds	<u>60,000</u>
Total	1,497,037
Sec. B.219 Military - veterans' affairs	
Personal services	784,278
Operating expenses	169,972
Grants	<u>85,484</u>
Total	1,039,734
Source of funds	
General fund	799,724
Special funds	140,010
Federal funds	<u>100,000</u>
Total	1,039,734

## Sec. B.220 Center for crime victim services

Personal services	1,908,428
Operating expenses	345,834
Grants	<u>10,632,103</u>
Total	12,886,365
Source of funds	
General fund	1,264,158
Special funds	5,341,178
Federal funds	<u>6,281,029</u>
Total	12,886,365

## Sec. B.221 Criminal justice training council

Personal services	1,193,040
Operating expenses	<u>1,283,697</u>
Total	2,476,737
Source of funds	
General fund	2,355,582
Interdepartmental transfers	<u>121,155</u>
Total	2,476,737

## Sec. B.222 Agriculture, food and markets - administration

Personal services	1,419,565
Operating expenses	499,463
Grants	<u>272,972</u>
Total	2,192,000
Source of funds	
General fund	969,921
Special funds	809,473
Federal funds	<u>412,606</u>
Total	2,192,000

## Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	4,228,755
Operating expenses	866,590
Grants	<u>2,750,000</u>
Total	7,845,345
Source of funds	
General fund	2,829,250
Special funds	3,743,410
Federal funds	1,265,685

Interdepartmental transfers	<u>7,000</u>
Total	7,845,345
Sec. B.224 Agriculture, food and markets - agricultural development	
Personal services	1,478,216
Operating expenses	1,045,214
Grants	<u>1,240,875</u>
Total	3,764,305
Source of funds	
General fund	1,920,068
Special funds	666,160
Federal funds	1,136,040
Interdepartmental transfers	<u>42,037</u>
Total	3,764,305
Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship	
Personal services	2,047,494
Operating expenses	488,054
Grants	<u>140,000</u>
Total	2,675,548
Source of funds	
General fund	662,248
Special funds	1,515,661
Federal funds	397,224
Interdepartmental transfers	<u>100,415</u>
Total	2,675,548
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,422,582
Operating expenses	<u>2,350,767</u>
Total	3,773,349
Source of funds	
General fund	857,420
Special funds	2,505,055
Federal funds	350,000
Interdepartmental transfers	<u>60,874</u>
Total	3,773,349
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	2,460,376
Operating expenses	415,019

Grants	<u>1,707,000</u>
Total	4,582,395
Source of funds	
General fund	1,149,854
Special funds	3,145,906
Federal funds	48,812
Interdepartmental transfers	<u>237,823</u>
Total	4,582,395
Sec. B.226 Financial regulation - administration	
Personal services	1,848,070
Operating expenses	<u>394,685</u>
Total	2,242,755
Source of funds	
Special funds	<u>2,242,755</u>
Total	2,242,755
Sec. B.227 Financial regulation - banking	
Personal services	1,723,226
Operating expenses	<u>400,714</u>
Total	2,123,940
Source of funds	
Special funds	<u>2,123,940</u>
Total	2,123,940
Sec. B.228 Financial regulation - insurance	
Personal services	3,982,567
Operating expenses	<u>579,112</u>
Total	4,561,679
Source of funds	
Special funds	<u>4,561,679</u>
Total	4,561,679
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,528,647
Operating expenses	<u>568,615</u>
Total	5,097,262
Source of funds	
Special funds	<u>5,097,262</u>
Total	5,097,262
Sec. B.230 Financial regulation - securities	
Personal services	884,305
Operating expenses	<u>191,805</u>



---

Total	1,076,110
Source of funds	
Special funds	<u>1,076,110</u>
Total	1,076,110
Sec. B.232 Secretary of state	
Personal services	9,247,500
Operating expenses	<u>2,501,529</u>
Total	11,749,029
Source of funds	
Special funds	10,453,613
Federal funds	1,220,416
Interdepartmental transfers	<u>75,000</u>
Total	11,749,029
Sec. B.233 Public service - regulation and energy	
Personal services	10,977,385
Operating expenses	1,818,966
Grants	<u>3,768,878</u>
Total	16,565,229
Source of funds	
Special funds	14,296,660
Federal funds	1,182,983
ARRA funds	1,010,000
Interdepartmental transfers	50,000
Enterprise funds	<u>25,586</u>
Total	16,565,229
Sec. B.234 Public utility commission	
Personal services	3,238,861
Operating expenses	<u>461,954</u>
Total	3,700,815
Source of funds	
Special funds	<u>3,700,815</u>
Total	3,700,815
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	3,715,294
Operating expenses	395,889
Grants	<u>720,000</u>
Total	4,831,183
Source of funds	

Special funds	<u>4,831,183</u>
Total	4,831,183
Sec. B.236 Human rights commission	
Personal services	497,679
Operating expenses	<u>70,557</u>
Total	568,236
Source of funds	
General fund	492,122
Federal funds	<u>76,114</u>
Total	568,236
Sec. B.237 Liquor control - administration	
Personal services	5,751,696
Operating expenses	<u>970,391</u>
Total	6,722,087
Source of funds	
Enterprise funds	<u>6,722,087</u>
Total	6,722,087
Sec. B.238 Liquor control - enforcement and licensing	
Personal services	2,152,769
Operating expenses	<u>554,933</u>
Total	2,707,702
Source of funds	
Special funds	20,000
Tobacco fund	213,843
Federal funds	312,503
Interdepartmental transfers	16,300
Enterprise funds	<u>2,145,056</u>
Total	2,707,702
Sec. B.239 Liquor control - warehousing and distribution	
Personal services	1,020,365
Operating expenses	<u>495,462</u>
Total	1,515,827
Source of funds	
Enterprise funds	<u>1,515,827</u>
Total	1,515,827
Sec. B.240 Total protection to persons and property	
Source of funds	
General fund	152,235,965

Transportation fund	20,250,000
Special funds	86,673,285
Tobacco fund	561,843
Federal funds	54,930,811
ARRA funds	1,010,000
Interdepartmental transfers	14,681,856
Enterprise funds	<u>10,408,556</u>
Total	340,752,316
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	8,771,938
Operating expenses	11,443,486
Grants	<u>4,983,315</u>
Total	25,198,739
Source of funds	
General fund	7,387,754
Special funds	91,017
Federal funds	16,056,135
Global Commitment fund	453,000
Interdepartmental transfers	<u>1,210,833</u>
Total	25,198,739
Sec. B.301 Secretary's office - global commitment	
Operating expenses	3,156,749
Grants	<u>1,585,123,038</u>
Total	1,588,279,787
Source of funds	
General fund	283,423,430
Special funds	27,902,465
Tobacco fund	20,299,373
State health care resources fund	284,480,725
Federal funds	955,341,512
Interdepartmental transfers	<u>16,832,282</u>
Total	1,588,279,787
Sec. B.302 Rate setting	
Personal services	916,668
Operating expenses	<u>96,744</u>
Total	1,013,412
Source of funds	
General fund	506,706

Federal funds	<u>506,706</u>
Total	1,013,412
Sec. B.303 Developmental disabilities council	
Personal services	402,333
Operating expenses	71,003
Grants	<u>150,000</u>
Total	623,336
Source of funds	
Federal funds	<u>623,336</u>
Total	623,336
Sec. B.304 Human services board	
Personal services	703,725
Operating expenses	<u>83,296</u>
Total	787,021
Source of funds	
General fund	425,466
Federal funds	319,974
Interdepartmental transfers	<u>41,581</u>
Total	787,021
Sec. B.305 AHS - administrative fund	
Personal services	350,000
Operating expenses	<u>10,150,000</u>
Total	10,500,000
Source of funds	
Interdepartmental transfers	<u>10,500,000</u>
Total	10,500,000
Sec. B.306 Department of Vermont health access - administration	
Personal services	150,000,858
Operating expenses	5,878,419
Grants	<u>7,314,742</u>
Total	163,194,019
Source of funds	
General fund	26,674,061
Special funds	3,522,585
Federal funds	118,955,295
Global Commitment fund	6,795,089
Interdepartmental transfers	<u>7,246,989</u>
Total	163,194,019

---

 Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Grants	<u>730,388,202</u>
Total	730,388,202
Source of funds	
Global Commitment fund	<u>730,388,202</u>
Total	730,388,202

## Sec. B.308 Department of Vermont health access - Medicaid program - long term care waiver

Grants	<u>204,515,915</u>
Total	204,515,915
Source of funds	
Global Commitment fund	<u>204,515,915</u>
Total	204,515,915

## Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	<u>47,955,940</u>
Total	47,955,940
Source of funds	
General fund	39,074,163
Global Commitment fund	<u>8,881,777</u>
Total	47,955,940

## Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	<u>31,345,248</u>
Total	31,345,248
Source of funds	
General fund	11,400,406
Federal funds	<u>19,944,842</u>
Total	31,345,248

## Sec. B.311 Health - administration and support

Personal services	5,369,099
Operating expenses	5,125,954
Grants	<u>4,065,000</u>
Total	14,560,053
Source of funds	
General fund	2,756,570
Special funds	1,737,815

Federal funds	6,577,531
Global Commitment fund	3,443,137
Interdepartmental transfers	<u>45,000</u>
Total	14,560,053
Sec. B.312 Health - public health	
Personal services	42,670,151
Operating expenses	8,262,008
Grants	<u>36,443,759</u>
Total	87,375,918
Source of funds	
General fund	9,483,976
Special funds	17,368,655
Tobacco fund	1,088,918
Federal funds	45,853,114
Global Commitment fund	12,436,255
Interdepartmental transfers	1,120,000
Permanent trust funds	<u>25,000</u>
Total	87,375,918
Sec. B.313 Health - alcohol and drug abuse programs	
Personal services	4,228,751
Operating expenses	255,634
Grants	<u>49,572,962</u>
Total	54,057,347
Source of funds	
General fund	2,468,452
Special funds	1,163,962
Tobacco fund	949,917
Federal funds	14,495,543
Global Commitment fund	<u>34,979,473</u>
Total	54,057,347
Sec. B.314 Mental health - mental health	
Personal services	30,983,975
Operating expenses	3,754,146
Grants	<u>208,515,176</u>
Total	243,253,297
Source of funds	
General fund	6,131,693
Special funds	434,904
Federal funds	8,782,053
Global Commitment fund	227,884,647

Interdepartmental transfers	<u>20,000</u>
Total	243,253,297
Sec. B.316 Department for children and families - administration & support services	
Personal services	39,883,238
Operating expenses	11,312,882
Grants	<u>3,019,141</u>
Total	54,215,261
Source of funds	
General fund	26,574,313
Special funds	2,591,557
Federal funds	22,956,549
Global Commitment fund	1,875,508
Interdepartmental transfers	<u>217,334</u>
Total	54,215,261
Sec. B.317 Department for children and families - family services	
Personal services	33,519,525
Operating expenses	4,951,233
Grants	<u>75,193,282</u>
Total	113,664,040
Source of funds	
General fund	36,682,377
Special funds	967,587
Federal funds	27,125,458
Global Commitment fund	48,754,229
Interdepartmental transfers	<u>134,389</u>
Total	113,664,040
Sec. B.318 Department for children and families - child development	
Personal services	4,373,097
Operating expenses	666,405
Grants	<u>78,641,229</u>
Total	83,680,731
Source of funds	
General fund	33,309,452
Special funds	1,820,000
Federal funds	37,067,384
Global Commitment fund	<u>11,483,895</u>
Total	83,680,731

---

 Sec. B.319 Department for children and families - office of child support

Personal services	10,358,904
Operating expenses	<u>3,664,980</u>
Total	14,023,884
Source of funds	
General fund	3,811,164
Special funds	455,719
Federal funds	9,369,401
Interdepartmental transfers	<u>387,600</u>
Total	14,023,884

## Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206
Grants	<u>11,298,023</u>
Total	13,550,229
Source of funds	
General fund	9,649,899
Global Commitment fund	<u>3,900,330</u>
Total	13,550,229

## Sec. B.321 Department for children and families - general assistance

Personal services	15,000
Grants	<u>6,912,360</u>
Total	6,927,360
Source of funds	
General fund	6,530,025
Federal funds	111,320
Global Commitment fund	<u>286,015</u>
Total	6,927,360

## Sec. B.322 Department for children and families - 3SquaresVT

Grants	<u>29,827,906</u>
Total	29,827,906
Source of funds	
Federal funds	<u>29,827,906</u>
Total	29,827,906

## Sec. B.323 Department for children and families - reach up

Operating expenses	51,519
Grants	<u>32,420,849</u>
Total	32,472,368



Source of funds	
General fund	6,423,546
Special funds	21,024,984
Federal funds	2,342,220
Global Commitment fund	<u>2,681,618</u>
Total	32,472,368
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	<u>15,019,953</u>
Total	15,019,953
Source of funds	
Special funds	1,434,217
Federal funds	<u>13,585,736</u>
Total	15,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	496,450
Operating expenses	43,133
Grants	<u>9,610,253</u>
Total	10,149,836
Source of funds	
General fund	4,767,340
Special funds	57,990
Federal funds	4,494,818
Global Commitment fund	<u>829,688</u>
Total	10,149,836
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	321,661
Operating expenses	43,448
Grants	<u>10,554,220</u>
Total	10,919,329
Source of funds	
Special funds	6,325,418
Federal funds	<u>4,593,911</u>
Total	10,919,329

Sec. B.327 Department for children and families - Woodside rehabilitation center

Personal services	5,478,901
Operating expenses	<u>717,907</u>
Total	6,196,808
Source of funds	
General fund	1,134,164
Global Commitment fund	4,965,644
Interdepartmental transfers	<u>97,000</u>
Total	6,196,808

Sec. B.328 Department for children and families - disability determination services

Personal services	5,978,035
Operating expenses	<u>411,111</u>
Total	6,389,146
Source of funds	
General fund	103,081
Federal funds	<u>6,286,065</u>
Total	6,389,146

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	31,585,910
Operating expenses	<u>5,477,387</u>
Total	37,063,297
Source of funds	
General fund	16,304,973
Special funds	1,390,457
Federal funds	18,301,583
Interdepartmental transfers	<u>1,066,284</u>
Total	37,063,297

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	<u>20,067,904</u>
Total	20,067,904
Source of funds	
General fund	7,553,375
Federal funds	7,148,466
Global Commitment fund	<u>5,366,063</u>
Total	20,067,904

---

 Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	<u>1,451,457</u>
Total	1,451,457
Source of funds	
General fund	389,154
Special funds	223,450
Federal funds	593,853
Global Commitment fund	<u>245,000</u>
Total	1,451,457

## Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	<u>7,174,368</u>
Total	7,174,368
Source of funds	
General fund	1,371,845
Federal funds	4,552,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,174,368

## Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	<u>221,097,985</u>
Total	221,097,985
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	220,522,540
Interdepartmental transfers	<u>45,000</u>
Total	221,097,985

## Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	<u>6,005,225</u>
Total	6,005,225
Source of funds	
Global Commitment fund	<u>6,005,225</u>
Total	6,005,225

---

Sec. B.335 Corrections - administration	
Personal services	2,947,820
Operating expenses	<u>238,644</u>
Total	3,186,464
Source of funds	
General fund	<u>3,186,464</u>
Total	3,186,464
Sec. B.336 Corrections - parole board	
Personal services	300,845
Operating expenses	<u>81,081</u>
Total	381,926
Source of funds	
General fund	<u>381,926</u>
Total	381,926
Sec. B.337 Corrections - correctional education	
Personal services	3,172,318
Operating expenses	<u>244,932</u>
Total	3,417,250
Source of funds	
General fund	3,268,466
Education fund	0
Interdepartmental transfers	<u>148,784</u>
Total	3,417,250
Sec. B.338 Corrections - correctional services	
Personal services	109,065,960
Operating expenses	21,128,473
Grants	<u>9,163,138</u>
Total	139,357,571
Source of funds	
General fund	132,472,462
Special funds	629,963
Federal funds	470,962
Global Commitment fund	5,387,869
Interdepartmental transfers	<u>396,315</u>
Total	139,357,571
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	<u>7,351,324</u>
Total	7,351,324

---

Source of funds	
General fund	<u>7,351,324</u>
Total	<u>7,351,324</u>
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	406,528
Operating expenses	<u>455,845</u>
Total	<u>862,373</u>
Source of funds	
Special funds	<u>862,373</u>
Total	<u>862,373</u>
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,447,800
Operating expenses	<u>525,784</u>
Total	<u>1,973,584</u>
Source of funds	
Internal service funds	<u>1,973,584</u>
Total	<u>1,973,584</u>
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	18,756,245
Operating expenses	<u>4,949,905</u>
Total	<u>23,706,150</u>
Source of funds	
General fund	3,998,789
Special funds	11,281,346
Federal funds	<u>8,426,015</u>
Total	<u>23,706,150</u>
Sec. B.343 Commission on women	
Personal services	316,110
Operating expenses	<u>67,352</u>
Total	<u>383,462</u>
Source of funds	
General fund	380,962
Special funds	<u>2,500</u>
Total	<u>383,462</u>
Sec. B.344 Retired senior volunteer program	
Grants	<u>151,096</u>
Total	<u>151,096</u>
Source of funds	

General fund	<u>151,096</u>
Total	151,096
Sec. B.345 Green Mountain Care Board	
Personal services	7,702,068
Operating expenses	<u>342,708</u>
Total	8,044,776
Source of funds	
General fund	2,032,469
Special funds	3,446,789
Federal funds	70,000
Global Commitment fund	<u>2,495,518</u>
Total	8,044,776
Sec. B.346 Total human services	
Source of funds	
General fund	697,716,468
Special funds	104,751,216
Tobacco fund	22,338,208
State health care resources fund	284,480,725
Education fund	0
Federal funds	1,385,140,068
Global Commitment fund	1,544,576,637
Internal service funds	1,973,584
Interdepartmental transfers	40,759,391
Permanent trust funds	<u>25,000</u>
Total	4,081,761,297
Sec. B.400 Labor - programs	
Personal services	29,773,882
Operating expenses	9,518,580
Grants	<u>1,876,867</u>
Total	41,169,329
Source of funds	
General fund	2,980,386
Special funds	3,616,477
Federal funds	33,222,466
Interdepartmental transfers	<u>1,350,000</u>
Total	41,169,329
Sec. B.401 Total labor	
Source of funds	
General fund	2,980,386

Special funds	3,616,477
Federal funds	33,222,466
Interdepartmental transfers	<u>1,350,000</u>
Total	41,169,329
Sec. B.500 Education - finance and administration	
Personal services	7,569,932
Operating expenses	3,575,080
Grants	<u>15,540,935</u>
Total	26,685,947
Source of funds	
General fund	3,795,807
Special funds	16,280,409
Education fund	995,597
Federal funds	2,396,087
Global Commitment fund	260,000
Interdepartmental transfers	<u>2,958,047</u>
Total	26,685,947
Sec. B.501 Education - education services	
Personal services	18,451,314
Operating expenses	1,473,983
Grants	<u>126,074,411</u>
Total	145,999,708
Source of funds	
General fund	5,681,029
Special funds	3,202,682
Tobacco fund	750,388
Federal funds	135,118,942
Interdepartmental transfers	<u>1,246,667</u>
Total	145,999,708
Sec. B.502 Education - special education: formula grants	
Grants	<u>198,471,642</u>
Total	198,471,642
Source of funds	
Education fund	<u>198,471,642</u>
Total	198,471,642
Sec. B.503 Education - state-placed students	
Grants	<u>15,700,000</u>
Total	15,700,000
Source of funds	

Education fund	<u>15,700,000</u>
Total	15,700,000
Sec. B.504 Education - adult education and literacy	
Grants	<u>4,371,050</u>
Total	4,371,050
Source of funds	
General fund	3,605,000
Education fund	0
Federal funds	<u>766,050</u>
Total	4,371,050
Sec. B.504.1 Education - Flexible Pathways	
Grants	<u>7,346,000</u>
Total	7,346,000
Source of funds	
Education fund	<u>7,346,000</u>
Total	7,346,000
Sec. B.505 Education - adjusted education payment	
Grants	<u>1,371,075,706</u>
Total	1,371,075,706
Source of funds	
Education fund	<u>1,371,075,706</u>
Total	1,371,075,706
Sec. B.506 Education - transportation	
Grants	<u>19,226,000</u>
Total	19,226,000
Source of funds	
Education fund	<u>19,226,000</u>
Total	19,226,000
Sec. B.507 Education - small school grants	
Grants	<u>7,600,000</u>
Total	7,600,000
Source of funds	
Education fund	<u>7,600,000</u>
Total	7,600,000
Sec. B.510 Education - essential early education grant	
Grants	<u>6,617,213</u>
Total	6,617,213



---

Source of funds	
Education fund	<u>6,617,213</u>
Total	<u>6,617,213</u>
Sec. B.511 Education - technical education	
Grants	<u>13,932,162</u>
Total	<u>13,932,162</u>
Source of funds	
Education fund	<u>13,932,162</u>
Total	<u>13,932,162</u>
Sec. B.514 State teachers' retirement system	
Grants	<u>99,940,777</u>
Total	<u>99,940,777</u>
Source of funds	
General fund	92,241,519
Education fund	<u>7,699,258</u>
Total	<u>99,940,777</u>
Sec. B.514.1 State teachers' retirement system administration	
Personal services	6,217,105
Operating expenses	<u>1,564,274</u>
Total	<u>7,781,379</u>
Source of funds	
Pension trust funds	<u>7,781,379</u>
Total	<u>7,781,379</u>
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	<u>31,639,205</u>
Total	<u>31,639,205</u>
Source of funds	
General fund	<u>31,639,205</u>
Total	<u>31,639,205</u>
Sec. B.516 Total general education	
Source of funds	
General fund	136,962,560
Special funds	19,483,091
Tobacco fund	750,388
Education fund	1,648,663,578
Federal funds	138,281,079
Global Commitment fund	260,000
Interdepartmental transfers	4,204,714

Pension trust funds	<u>7,781,379</u>
Total	1,956,386,789
Sec. B.600 University of Vermont	
Grants	<u>42,509,093</u>
Total	42,509,093
Source of funds	
General fund	39,129,876
Global Commitment fund	<u>3,379,217</u>
Total	42,509,093
Sec. B.601 Vermont Public Broadcast System	
Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.602 Vermont state colleges	
Grants	<u>27,300,464</u>
Total	27,300,464
Source of funds	
General fund	<u>27,300,464</u>
Total	27,300,464
Sec. B.602.1 Vermont state colleges - Supplemental Aid	
Grants	<u>700,000</u>
Total	700,000
Source of funds	
General fund	<u>700,000</u>
Total	700,000
Sec. B.603 Vermont state colleges - allied health	
Grants	<u>1,157,775</u>
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	<u>19,414,588</u>
Total	19,414,588

Source of funds	
General fund	<u>19,414,588</u>
Total	19,414,588
Sec. B.606 New England higher education compact	
Grants	<u>84,000</u>
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000
Sec. B.607 University of Vermont - Morgan Horse Farm	
Grants	<u>1</u>
Total	1
Source of funds	
General fund	<u>1</u>
Total	1
Sec. B.608 Total higher education	
Source of funds	
General fund	87,377,244
Global Commitment fund	<u>3,788,678</u>
Total	91,165,922
Sec. B.700 Natural resources - agency of natural resources - administration	
Personal services	2,179,464
Operating expenses	1,105,224
Grants	<u>34,960</u>
Total	3,319,648
Source of funds	
General fund	2,670,382
Special funds	554,112
Interdepartmental transfers	<u>95,154</u>
Total	3,319,648
Sec. B.701 Natural resources - state land local property tax assessment	
Operating expenses	<u>2,532,755</u>
Total	2,532,755
Source of funds	
General fund	2,111,255
Interdepartmental transfers	<u>421,500</u>
Total	2,532,755

## Sec. B.702 Fish and wildlife - support and field services

Personal services	17,559,395
Operating expenses	5,511,383
Grants	<u>1,078,000</u>
Total	24,148,778
Source of funds	
General fund	5,652,621
Special funds	196,212
Fish and wildlife fund	9,505,629
Federal funds	8,691,203
Interdepartmental transfers	93,102
Permanent trust funds	<u>10,011</u>
Total	24,148,778

## Sec. B.703 Forests, parks and recreation - administration

Personal services	889,376
Operating expenses	<u>940,315</u>
Total	1,829,691
Source of funds	
General fund	<u>1,829,691</u>
Total	1,829,691

## Sec. B.704 Forests, parks and recreation - forestry

Personal services	5,587,322
Operating expenses	761,503
Grants	<u>500,000</u>
Total	6,848,825
Source of funds	
General fund	4,610,156
Special funds	412,999
Federal funds	1,487,097
Interdepartmental transfers	<u>338,573</u>
Total	6,848,825

## Sec. B.705 Forests, parks and recreation - state parks

Personal services	8,403,655
Operating expenses	<u>2,621,163</u>
Total	11,024,818
Source of funds	
General fund	434,313
Special funds	10,590,505

Permanent trust funds	<u>0</u>
Total	11,024,818
Sec. B.706 Forests, parks and recreation - lands administration and recreation	
Personal services	1,269,132
Operating expenses	1,378,483
Grants	<u>2,506,787</u>
Total	5,154,402
Source of funds	
General fund	673,966
Special funds	2,020,151
Federal funds	2,336,535
Interdepartmental transfers	<u>123,750</u>
Total	5,154,402
Sec. B.708 Forests, parks and recreation - forest and parks access roads	
Personal services	65,425
Operating expenses	<u>114,500</u>
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925
Sec. B.709 Environmental conservation - management and support services	
Personal services	6,288,392
Operating expenses	3,391,844
Grants	<u>150,000</u>
Total	9,830,236
Source of funds	
General fund	1,074,364
Special funds	457,591
Federal funds	744,676
Interdepartmental transfers	<u>7,553,605</u>
Total	9,830,236
Sec. B.710 Environmental conservation - air and waste management	
Personal services	12,383,436
Operating expenses	8,691,215
Grants	<u>5,076,000</u>
Total	26,150,651
Source of funds	
General fund	425,825
Special funds	21,875,082

Federal funds	3,655,939
Interdepartmental transfers	<u>193,805</u>
Total	26,150,651
Sec. B.711 Environmental conservation - office of water programs	
Personal services	18,292,585
Operating expenses	6,676,548
Grants	<u>23,754,400</u>
Total	48,723,533
Source of funds	
General fund	7,815,563
Special funds	10,333,268
Federal funds	29,486,364
Interdepartmental transfers	<u>1,088,338</u>
Total	48,723,533
Sec. B.713 Natural resources board	
Personal services	2,643,689
Operating expenses	<u>495,779</u>
Total	3,139,468
Source of funds	
General fund	608,163
Special funds	<u>2,531,305</u>
Total	3,139,468
Sec. B.714 Total natural resources	
Source of funds	
General fund	28,086,224
Special funds	48,971,225
Fish and wildlife fund	9,505,629
Federal funds	46,401,814
Interdepartmental transfers	9,907,827
Permanent trust funds	<u>10,011</u>
Total	142,882,730
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	1,717,913
Operating expenses	1,373,839
Grants	<u>452,627</u>
Total	3,544,379
Source of funds	
General fund	3,524,379

Special funds	0
Interdepartmental transfers	<u>20,000</u>
Total	3,544,379
Sec. B.801 Economic development	
Personal services	3,512,700
Operating expenses	903,397
Grants	<u>5,554,735</u>
Total	9,970,832
Source of funds	
General fund	4,563,197
Special funds	2,625,350
Federal funds	<u>2,782,285</u>
Total	9,970,832
Sec. B.802 Housing & community development	
Personal services	3,677,757
Operating expenses	745,690
Grants	<u>11,167,128</u>
Total	15,590,575
Source of funds	
General fund	2,760,297
Special funds	4,991,756
Federal funds	7,747,771
Interdepartmental transfers	<u>90,751</u>
Total	15,590,575
Sec. B.806 Tourism and marketing	
Personal services	1,151,255
Operating expenses	1,743,242
Grants	<u>121,880</u>
Total	3,016,377
Source of funds	
General fund	<u>3,016,377</u>
Total	3,016,377
Sec. B.807 Vermont life	
Personal services	604,497
Operating expenses	<u>46,108</u>
Total	650,605
Source of funds	
Enterprise funds	<u>650,605</u>
Total	650,605

---

Sec. B.808 Vermont council on the arts	
Grants	<u>717,735</u>
Total	717,735
Source of funds	
General fund	<u>717,735</u>
Total	<u>717,735</u>
Sec. B.809 Vermont symphony orchestra	
Grants	<u>141,214</u>
Total	141,214
Source of funds	
General fund	<u>141,214</u>
Total	<u>141,214</u>
Sec. B.810 Vermont historical society	
Grants	<u>961,426</u>
Total	961,426
Source of funds	
General fund	<u>961,426</u>
Total	<u>961,426</u>
Sec. B.811 Vermont housing and conservation board	
Grants	<u>26,361,035</u>
Total	26,361,035
Source of funds	
Special funds	10,940,222
Federal funds	<u>15,420,813</u>
Total	<u>26,361,035</u>
Sec. B.812 Vermont humanities council	
Grants	<u>217,959</u>
Total	217,959
Source of funds	
General fund	<u>217,959</u>
Total	<u>217,959</u>
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	15,902,584
Special funds	18,557,328
Federal funds	25,950,869
Interdepartmental transfers	110,751
Enterprise funds	<u>650,605</u>



Total	61,172,137
Sec. B.900 Transportation - finance and administration	
Personal services	11,841,671
Operating expenses	2,759,243
Grants	<u>55,000</u>
Total	14,655,914
Source of funds	
Transportation fund	13,637,714
Federal funds	<u>1,018,200</u>
Total	14,655,914
Sec. B.901 Transportation - aviation	
Personal services	5,163,838
Operating expenses	8,404,249
Grants	<u>231,676</u>
Total	13,799,763
Source of funds	
Transportation fund	4,628,763
Federal funds	<u>9,171,000</u>
Total	13,799,763
Sec. B.902 Transportation - buildings	
Operating expenses	<u>1,578,050</u>
Total	1,578,050
Source of funds	
Transportation fund	<u>1,578,050</u>
Total	1,578,050
Sec. B.903 Transportation - program development	
Personal services	50,457,603
Operating expenses	216,263,480
Grants	<u>34,168,390</u>
Total	300,889,473
Source of funds	
Transportation fund	42,549,882
TIB fund	11,894,706
Federal funds	244,766,072
Interdepartmental transfers	239,345
Local match	<u>1,439,468</u>
Total	300,889,473

## Sec. B.904 Transportation - rest areas construction

Personal services	43,000
Operating expenses	<u>701,802</u>
Total	744,802
Source of funds	
Transportation fund	76,242
Federal funds	<u>668,560</u>
Total	744,802

## Sec. B.905 Transportation - maintenance state system

Personal services	43,007,903
Operating expenses	44,516,596
Grants	<u>371,780</u>
Total	87,896,279
Source of funds	
Transportation fund	85,018,492
Federal funds	2,777,787
Interdepartmental transfers	<u>100,000</u>
Total	87,896,279

## Sec. B.906 Transportation - policy and planning

Personal services	4,258,996
Operating expenses	923,797
Grants	<u>5,903,691</u>
Total	11,086,484
Source of funds	
Transportation fund	2,822,771
Federal funds	8,171,508
Interdepartmental transfers	<u>92,205</u>
Total	11,086,484

## Sec. B.907 Transportation - rail

Personal services	5,511,324
Operating expenses	<u>24,087,727</u>
Total	29,599,051
Source of funds	
Transportation fund	18,675,520
TIB fund	760,000
Federal funds	<u>10,163,531</u>
Total	29,599,051

Sec. B.908 Transportation - public transit	
Personal services	1,226,680
Operating expenses	244,440
Grants	<u>27,549,109</u>
Total	29,020,229
Source of funds	
Transportation fund	7,795,281
Federal funds	<u>21,224,948</u>
Total	29,020,229
Sec. B.909 Transportation - central garage	
Personal services	4,283,427
Operating expenses	<u>16,401,097</u>
Total	20,684,524
Source of funds	
Internal service funds	<u>20,684,524</u>
Total	20,684,524
Sec. B.910 Department of motor vehicles	
Personal services	19,894,921
Operating expenses	<u>11,465,811</u>
Total	31,360,732
Source of funds	
Transportation fund	29,760,414
Federal funds	1,458,768
Interdepartmental transfers	<u>141,550</u>
Total	31,360,732
Sec. B.911 Transportation - town highway structures	
Grants	<u>6,333,500</u>
Total	6,333,500
Source of funds	
Transportation fund	<u>6,333,500</u>
Total	6,333,500
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	363,490
Operating expenses	<u>40,224</u>
Total	403,714
Source of funds	
Transportation fund	103,714

Federal funds	<u>300,000</u>
Total	403,714
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	<u>7,648,750</u>
Total	7,648,750
Source of funds	
Transportation fund	<u>7,648,750</u>
Total	7,648,750
Sec. B.914 Transportation - town highway bridges	
Personal services	3,181,488
Operating expenses	8,683,506
Grants	<u>1,460,000</u>
Total	13,324,994
Source of funds	
Transportation fund	1,490,612
TIB fund	547,631
Federal funds	10,594,419
Local match	<u>692,332</u>
Total	13,324,994
Sec. B.915 Transportation - town highway aid program	
Grants	<u>25,982,744</u>
Total	25,982,744
Source of funds	
Transportation fund	<u>25,982,744</u>
Total	25,982,744
Sec. B.916 Transportation - town highway class 1 supplemental grants	
Grants	<u>128,750</u>
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750
Sec. B.917 Transportation - town highway: state aid for nonfederal disasters	
Grants	<u>1,150,000</u>
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters	
Grants	<u>180,000</u>
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000
Sec. B.919 Transportation - municipal mitigation assistance program	
Operating expenses	200,000
Grants	<u>8,882,342</u>
Total	9,082,342
Source of funds	
Transportation fund	1,240,000
Special funds	2,400,000
Federal funds	<u>5,442,342</u>
Total	9,082,342
Sec. B.920 Transportation - public assistance grant program	
Operating expenses	640,000
Grants	<u>4,419,457</u>
Total	5,059,457
Source of funds	
Transportation fund	160,000
Special funds	1,419,457
Federal funds	3,000,000
Interdepartmental transfers	<u>480,000</u>
Total	5,059,457
Sec. B.921 Transportation board	
Personal services	235,619
Operating expenses	<u>35,924</u>
Total	271,543
Source of funds	
Transportation fund	<u>271,543</u>
Total	271,543
Sec. B.922 Total transportation	
Source of funds	
Transportation fund	251,072,742
TIB fund	13,202,337
Special funds	3,819,457

Federal funds	318,917,135
Internal service funds	20,684,524
Interdepartmental transfers	1,053,100
Local match	<u>2,131,800</u>
Total	610,881,095

## Sec. B.1000 Debt service

Operating expenses	<u>78,097,467</u>
Total	78,097,467
Source of funds	
General fund	72,860,749
Transportation fund	1,629,544
ARRA funds	1,102,486
TIB debt service fund	<u>2,504,688</u>
Total	78,097,467

## Sec. B.1001 Total debt service

Source of funds	
General fund	72,860,749
Transportation fund	1,629,544
ARRA funds	1,102,486
TIB debt service fund	<u>2,504,688</u>
Total	78,097,467

## Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2019, \$3,055,900 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

(1) Workforce education and training. The amount of \$1,605,400 as follows:

(A) Workforce Education and Training Fund (WETF). The amount of \$1,045,400 is transferred to the Vermont Workforce Education and Training Fund created in 10 V.S.A. § 543 and subsequently appropriated to the Department of Labor for workforce education and training. Up to seven percent of the funds may be used for administration of the program. Of this amount, \$350,000 shall be allocated for competitive grants for internships through the Vermont Strong Internship Program pursuant to 10 V.S.A. § 544.

(B) Adult Career Technical Education Programs. The amount of \$360,000 is appropriated to the Department of Labor in consultation with the State Workforce Development Board. This appropriation is for the purpose of awarding competitive grants to regional technical centers and high schools to

provide adult career technical education, as that term is defined in 16 V.S.A. § 1522, to unemployed and underemployed Vermont adults.

(C) The amount of \$200,000 is appropriated to the Agency of Commerce and Community Development to issue performance grants to the University of Vermont and the Vermont Center for Emerging Technologies for patent development and commercialization of technology and to enhance the development of high-technology businesses and Next Generation employment opportunities throughout Vermont.

(2) Loan repayment. The amount of \$30,000 as follows:

(A) Large animal veterinarians' loan repayment. The amount of \$30,000 is appropriated to the Agency of Agriculture, Food and Markets for a loan repayment program for large animal veterinarians pursuant to 6 V.S.A. § 20.

(3) Scholarships and grants. The amount of \$1,420,500 as follows:

(A) Non-degree VSAC grants. The amount of \$494,500 is appropriated to the Vermont Student Assistance Corporation. These funds shall be for the purpose of providing nondegree grants to Vermonters to improve job skills and increase overall employability, enabling them to enroll in a postsecondary education or training program, with equal emphasis on adult technical education that is not part of a degree or accredited certificate program. A portion of these funds shall be used for grants for indirect educational expenses to students enrolled in training programs. The grants shall not exceed \$3,000 per student. None of these funds shall be used for administrative overhead.

(B) National Guard Educational Assistance. The amount of \$150,000 is appropriated to Military – administration to be transferred to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856.

(C) Dual enrollment programs and need-based stipend. The amount of \$740,000 is appropriated to the Agency of Education for dual enrollment programs and \$36,000 is appropriated to the Agency of Education to be transferred to the Vermont Student Assistance Corporation for need-based stipends pursuant to Sec. E.605.1 of this act.

Sec. B.1100.1 DEPARTMENT OF LABOR RECOMMENDATION FOR  
FISCAL YEAR 2020 NEXT GENERATION INITIATIVE  
FUND DISTRIBUTION

(a) The Department of Labor, in coordination with the Agencies of Commerce and Community Development, of Human Services, and of Education, and in consultation with the State Workforce Development Board,

shall recommend to the Governor on or before December 1, 2018 how \$3,055,900 from the Next Generation Initiative Fund should be allocated or appropriated in fiscal year 2020 to provide maximum benefit to workforce education and training, participation in secondary or postsecondary education by underrepresented groups, and support for promising economic sectors in Vermont. The State agencies and departments listed herein shall promote actively and publicly the availability of the funds to eligible entities.

Sec. B.1101 FISCAL YEAR 2019 ONE-TIME APPROPRIATION FROM  
THE ALBERT C. LORD PERMANENT TRUST FUND

(a) The sum of \$86,267 is appropriated from the Albert C. Lord Permanent Trust Fund to the Department of Forests, Parks and Recreation – state parks, for conservation education activities, consistent with the intended purpose of the Fund. These funds will be used to pay the cost of one conservation education position and the cost of publishing conservation education outreach materials.

Sec. B.1102 ONE-TIME CLEAN ENERGY DEVELOPMENT FUND  
APPROPRIATION

(a) In fiscal year 2019, \$200,000 is appropriated from the Clean Energy Development Fund created in 30 V.S.A. § 8015 to the Department of Environmental Conservation to increase the amount available for woodstove change outs to improve air quality and reduce air emissions related to woodstoves.

Sec. C.100 2017 Acts and Resolves No. 85, Sec. E.605 is amended to read:

Sec. E.605 Vermont student assistance corporation

(a) Of this appropriation, \$25,000 is appropriated from the ~~Education General~~ Fund to the Vermont Student Assistance Corporation to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

\* \* \*

Sec. C.101 REPEAL

(a) 2017 Acts and Resolves No. 85, Sec. E.301.1 (General Fund reversion) is repealed.

Sec. C.102 FISCAL YEAR 2018 MEDICAID AUTHORIZED PAYMENT  
AND CARRY FORWARD REQUIREMENT

(a) In fiscal year 2018, to the extent funds are available within the funds appropriated in 2017 Acts and Resolves No. 85, Sec. B.301 as amended by 2018 Acts and Resolves No. 87, Sec. 8, as determined by the Secretary of Human Services in consultation with the Commissioner of Finance and



Management and the Legislative Chief Fiscal Officer, the Agency of Human Services:

(1) Shall carry forward to fiscal year 2019 a total of \$1,500,000 in General Funds for fiscal year 2019 obligations. The Commissioner of Finance and Management is authorized to adjust fiscal year 2018 Federal Fund and Global Commitment Fund appropriations in the Agency of Human Services and Department of Vermont Health Access to comport with this provision.

(A) The Commissioner of Finance and Management and the Secretary of Human Services shall ensure that the budget proposal submitted for Global Commitment as part of the requirement of 32 V.S.A. § 306 does not rely upon anticipated carry forward General Funds, and appropriates general funds in fiscal year 2020 to the Secretary of Human Services in an amount sufficient to fund the most current official Medicaid forecast adopted for fiscal year 2020 under 32 V.S.A. § 305a(c) adjusted for any recommended changes to policy or operations that impact the official forecast.

(2) Is authorized to spend \$4,500,000 in General Funds to fund a negotiated agreement to settle financial reconciliation of the 2016 year of the Vermont Health Connect operations.

(3) Shall carry forward to fiscal year 2019 a total of \$1,100,000 in General Funds for premium processing by Vermont Health Connect during fiscal year 2019. It is anticipated that premium processing functions will be performed by insurance carriers in the 2020 health insurance year. The Commissioner of Finance and Management is authorized to adjust fiscal year 2018 Federal Fund and Global Commitment Fund appropriations in the Agency of Human Services and Department of Vermont Health Access to comport with this requirement.

Sec. C.103 FISCAL YEAR 2017 ONE-TIME APPROPRIATION CARRY FORWARD

(a) In fiscal year 2018, the sum of \$1,300,000 remaining of the amount appropriated to the Secretary of Administration in 2017 Acts and Resolves No. 85, Sec. C.100(a), shall be carried forward into fiscal year 2019 for distribution to the Department for Children and Families to provide funding for changes in employee classification that were previously approved in accordance with the collective bargaining agreement.

Sec. C.104 [DELETED]

Sec. C.105 FISCAL YEAR 2018 ONE-TIME TRANSFERS FROM THE TOBACCO LITIGATION SETTLEMENT FUND

(a) Transfers: Notwithstanding 32 V.S.A. § 435a(a) the following transfers shall be made from the Tobacco Litigation Settlement Fund:

(1) \$13,500,000 is transferred to the General Fund;

(2) \$750,000 is transferred to the Environmental Contingency Fund established pursuant to 10 V.S.A. § 1283 for the purpose of conducting an evaluation of cleanup alternatives and, if required, a corrective action plan for PFOA and PFOS releases in the Town of Bennington; and

(3) \$1,000,000 is transferred to the Complex Litigation Special Fund established in 3 V.S.A. § 167a.

Sec. C.105.1 FISCAL YEAR 2018 ONE-TIME APPROPRIATIONS FROM  
THE TOBACCO LITIGATION SETTLEMENT FUND

(a) Appropriations: Notwithstanding 32 V.S.A. § 435a(a), the following appropriations shall be made from the Tobacco Litigation Settlement Fund:

(1) \$1,000,000 to the Department of Buildings and General Services to be used in combination with capital funds appropriated in fiscal year 2019 for renovation and fit-up at the Brattleboro Retreat to provide a minimum of 12 beds, including level-1 beds, to the State for a period determined by the Secretary of Human Services to be in the best interest of the State. The Department of Buildings and General Services shall not expend any funds from this appropriation until the Commissioner of Buildings and General Services and the Secretary of Human Services have notified the Commissioner of Finance and Management and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions that an agreement has been executed between the Brattleboro Retreat and the State.

(2) \$500,000 to the University of Vermont.

(3) \$500,000 to the Vermont State Treasurer to offset costs of interest and principal at the Treasurer's discretion for longer-term State building efficiency investment funding. The Treasurer and the Commissioner of Buildings and General Services shall report to the House and Senate Committees on Appropriations, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions on the use of these funds.

(4) \$1,000,000 to the Agency of Human Services. The use of these funds shall be pursuant to the plan specified by the Tobacco Evaluation and Review Board.

(5) \$200,000 to the Department of Health to conduct two blood draw clinics in Bennington in calendar year 2018 for current and prior members of the community who may have had long-term exposure to PFOA and PFOS releases in the greater Bennington area.

(6) \$350,000 to the Department of Corrections to design reentry programming that will result in stronger support and reintegration into the community for inmates and lower recidivism.

(7) \$400,000 to the Department of Corrections for Medication-Assisted Treatment as specified in S.166 of 2018.

(8) \$300,000 to the Department of Forests, Parks and Recreation to be granted to the Vermont Youth Conservation Corps in even increments of \$100,000 in fiscal years 2018, 2019, and 2020.

(9) \$100,000 to the Department for Children and Families' Child Development Division to analyze how Vermont's families make early care and education arrangements for their children. These funds shall be used to contract with an independent organization to survey families in Vermont with children under six years of age about their child care arrangements and preferences and what factors may constrain parental choices. The Department shall provide a copy of the survey instrument to the House and Senate Committees on Appropriations, the House Committee on Human Services and the Senate Committee on Health and Welfare prior to finalizing the instrument for survey implementation. The Department shall provide a report on the results of the survey to the General Assembly on January 15, 2019.

(10) \$200,000 to the Department for Children and Families to prepare for the expansion of services to juvenile offenders 18 and 19 years of age pursuant to 33 V.S.A. chapters 52 and 52A as amended in S.234 of 2018 beginning in fiscal year 2021, with any unexpended funds to carry forward.

(11) \$100,000 to the Office of Economic Opportunity in the Department for Children and Families for pass-through grants to the Community Action Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722.

(12) \$100,000 to the Agency of Education for fiscal year 2019 for administration in accordance with the Prekindergarten study required by Sec. E.500.7 of this act.

(13) \$150,000 to the Joint Fiscal Office for the study of Corrections Health Care as specified in Sec. E.127 of this act.

#### Sec. C.106 CHINS CASES SYSTEM-WIDE REFORM

(a) The sum of \$7,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Judiciary in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments to transform the adjudication of CHINS cases in Vermont.

(b) The sum appropriated from the Tobacco Litigation Settlement Fund in subsection (a) of this section shall be allocated as follows:

(1) \$1,250,000 for fiscal year 2019, which shall not be distributed until the group defined in subsection (c) of this section provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$2,500,000 for fiscal year 2020, for which the group shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$2,500,000 for fiscal year 2021, for which the group shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) \$750,000 in fiscal year 2022 or after as needed.

(c) During the 2018 legislative interim, the Chief Superior Judge, the Executive Director of State's Attorneys and Sheriffs, the Defender General, and the Commissioner for Children and Families, shall review and propose changes to the system by which CHINS cases are processed and adjudicated. In undertaking this review the group shall evaluate successful models used in other countries, states, or cities. The proposal shall incorporate innovative approaches to holistic reform and strategies to reduce the need for court intervention, and may include the use of regional and mobile models, judicial masters, mediation, dedicated resources, and other alternative dispute resolution options to the CHINS process. The proposal for reform shall:

(1) support and improve child safety;

(2) provide early screening for substance abuse, mental health, and trauma of children and parents;

(3) provide early access to services designed to address screening outcomes;

(4) improve timeliness of adjudication, including timeliness to permanency for children, whether permanency is reunification with parents or termination of parental rights;

(5) ensure due process;

(6) serve the best interests of the affected children;

(7) relieve systemic resource and budget pressures; and

(8) lead to lasting changes.

(d) The Chief Superior Judge, the Executive Director of State's Attorneys and Sheriffs, the Defender General, and the Commissioner for Children and

Families shall report on the proposal developed pursuant to subsection (c) of this section, and shall include a recommendation on how to allocate the \$1,250,000 allocated for fiscal year 2019 to reflect the vision for reforming the CHINS docket that achieves the outcomes set forth in subsection (c) of this section:

(1) on or before December 1, 2018 shall report to a combined meeting of the Joint Legislative Justice Oversight Committee and Joint Legislative Child Protection Committee; and

(2) shall report to the House and Senate Committees on Appropriations, the House and Senate Committees on Judiciary, the House Committee on Human Services, and the Senate Committee on Health and Welfare on or before January 15, 2019 as a part of the Judiciary's recommendations for the fiscal year 2020 budget.

Sec. C.106.1 EXPANDING THE VERMONT WORKFORCE FOR  
SUBSTANCE USE DISORDER TREATMENT AND  
MENTAL HEALTH PROFESSIONALS

(a) The sum of \$5,000,000 is appropriated from the Tobacco Litigation Settlement Fund to the Agency of Human Services in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in subsections (b) and (c) of this section. The purpose of the funds is to make strategic investments in order to expand the supply of high-quality substance use disorder treatment and mental health professionals available to Vermont residents in need of their services.

(b) The sum appropriated to the Agency of Human Services in subsection (a) of this section shall be allocated to the Agency as follows:

(1) \$1,500,000 for fiscal year 2019, which shall not be distributed until the Agency provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$1,500,000 for fiscal year 2020, for which the Agency shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$1,500,000 for fiscal year 2021, for which the Agency shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both; and

(4) \$500,000 which may be provided in fiscal year 2022 or after as needed to ensure successful and sustainable implementation of the workforce expansion initiatives developed pursuant to this section.

(c)(1) The Secretary of Human Services shall convene a work group composed of representatives of the University of Vermont, the Vermont State Colleges, the Area Health Education Centers (AHEC) program and others including consumers, primary care doctors to select from among all proposals for use of the funds allocated pursuant to subsection (b) of this section those most likely to build capacity in Vermont's substance use disorder treatment and mental health systems in a cost-effective and sustainable manner by cultivating, attracting, recruiting, and retaining high-quality substance use disorder treatment and mental health professionals. The Secretary of Human Services shall present the selected proposals to the General Assembly within the allocations set forth in subsection (b) of this section for approval as part of the applicable budget or budget adjustment process.

(2) Successful proposals for use of the funds allocated pursuant to subsection (b) of this section may include scholarships; loan repayment for high-quality substance use disorder treatment and mental health professionals who commit to practicing in Vermont; hiring bonuses or loan repayment, or both, for faculty and staff at institutions of higher education in Vermont to teach prospective substance use disorder treatment and mental health professionals; strategic bonuses for high-quality substance use disorder treatment and mental health professionals in Vermont's existing workforce; and appropriate continuing education and training for substance use disorder treatment and mental health professionals in Vermont's existing workforce. Loan repayment funds shall be distributed using the AHEC system as appropriate.

#### Sec. C.106.2 SUBSTANCE USE DISORDER RESPONSE INITIATIVES

(a) The sum of \$2,500,000 is appropriated from the Tobacco Litigation Settlement Fund to the Agency of Human Services in fiscal year 2018 and shall carry forward for the uses and based on the allocations set forth in this section. These funds shall be used to finance time-limited or self-sustaining substance use disorder initiatives including initiatives relating to prevention, intervention, harm reduction, treatment, and recovery.

(b) The sum appropriated to the Agency of Human Services in subsection (a) of this section shall be allocated to the Agency as follows:

(1) \$1,000,000 for fiscal year 2019, which shall not be distributed until the Agency provides proposed expenditures as part of its fiscal year 2019 budget adjustment request;

(2) \$750,000 for fiscal year 2020, for which the Agency shall provide proposed expenditures as part of its fiscal year 2020 budget request or budget adjustment request, or both;

(3) \$750,000 for fiscal year 2021, for which the Agency shall provide proposed expenditures as part of its fiscal year 2021 budget request or budget adjustment request, or both.

(c) The Secretary of Human Services shall present a plan to fund fiscal year initiatives relating to prevention, intervention, harm reduction, treatment, and recovery for approval at the Joint Fiscal Committee July 2018 meeting.

Sec. C.106.3 [DELETED]

Sec. C.106.4 [DELETED]

Sec. C.106.5 [DELETED]

Sec. C.107 [DELETED]

Sec. C.108 REPEALS

(a) 2018 Acts and Resolves No. 87, Sec. 37 (Temporary General Fund Reserve) is repealed.

(b) 2018 Acts and Resolves No. 87, Sec. 43 (Use of General Fund Balance Reserve) is repealed.

Sec. C.109 FISCAL YEAR 2018 FEDERAL FUNDS CONTINGENT  
APPROPRIATION

(a) In the event a federal infrastructure bill providing additional federal funding to Vermont for transportation-related projects is enacted and takes effect in fiscal year 2018 or fiscal year 2019, such federal funds are appropriated to the Agency of Transportation in fiscal year 2018 or fiscal year 2019 as provided and under the conditions prescribed in Sec. 2 of H.917 of 2018.

Sec. C.110 IMPLEMENTATION OF PRELIMINARY  
RECOMMENDATIONS OF THE VERMONT CLIMATE  
ACTION COMMISSION

(a) On December 29, 2017, the Vermont Climate Action Commission (Commission) created by the Governor through Executive Order No. 12-17 made five preliminary recommendations to advance Vermont's ability to achieve the Comprehensive Energy Plan's goals for 2050 to reduce greenhouse gas (GHG) emissions and increase renewable energy. Those recommendations are implemented by the provisions of this section and those other sections and bills described in this section.

(b) Recommendations of the Commission and actions taken on them include:

(1) Support advanced wood heat: In Sec. B.1102 of this act \$200,000 shall be dedicated for additional woodstove change outs to improve air quality and reduce air emissions related to woodstoves, funded on a one-time basis;

(2) Increase the pace of weatherization: Two specific actions include:

(A) In H.907 of 2018, the State Treasurer is authorized in fiscal years 2019 and 2020 to invest up to \$5,000,000 of funds from the credit facility established in 10 V.S.A. § 10 for an accelerated weatherization and housing improvement program. The funds shall be used to support efforts for households and multi-family rental homes as specified in H.907 of 2018.

(B) The Department of Buildings and General Services shall work with the Treasurer to maximize use of the credit facility for local investments established in 10 V.S.A. § 10, to fund energy efficiency projects for State buildings. The amount of \$500,000 is appropriated in Sec. C.105.1(a)(3) of this act to the Treasurer to offset costs of interest and principal at the Treasurer's discretion for longer-term State building efficiency investment funding.

(3) Study regulatory and market decarbonization mechanisms: The Joint Fiscal Committee shall contract for independent professional assistance to analyze the costs and benefits for Vermont of adopting and implementing policies to reduce GHG emissions caused by Vermont's consumption of fossil fuels. There is \$120,000 appropriated in Sec. C.1000(a)(1) of this act to the Joint Fiscal Committee for this study.

(A) The analysis shall include the comparative ability or potential of the policies to achieve reductions in GHG emissions; to spur economic development in the State; to encourage innovation in the State; to cause shifts in employment, including job creation, job loss, and sectors affected; and to affect the cost of living in Vermont.

(B) The Joint Fiscal Office and the contractor shall consult with the Climate Commission and the Chairs of the House Committees on Energy and Technology and on Natural Resources, Wildlife, and Water Resources and the Senate Committee on Natural Resources and Energy. On or before January 15, 2019, the Joint Fiscal Office shall submit the analysis to those same standing committees, with a copy to the Climate Commission.

(4) Foster the climate economy: The recommendations in subdivisions (1), (2), (3), and (5) of this subsection should result in added economic activity to foster a climate economy.



(5) Electrify the transportation system: The direction concerning the use of Environmental Mitigation Trust monies resulting from the Volkswagen litigation set forth in Sec. E.700 of this act is designed to increase electrification of transportation.

Sec. C.111 2017 Acts and Resolves No. 85, Sec. B.502 is amended to read:

Sec. B.502 Education – special education: formula grants

Grants	<u>180,749,796</u>	<u>188,749,796</u>
Total	<u>180,749,796</u>	<u>188,749,796</u>
Source of funds		
Education fund	<u>180,749,796</u>	<u>188,749,796</u>
Total	<u>180,749,796</u>	<u>188,749,796</u>

Sec. C.112 2017 Acts and Resolves No. 85, Sec. B.503 is amended to read:

Sec. B.503 Education – state placed students

Grants	<u>16,700,000</u>	<u>14,700,000</u>
Total	<u>16,700,000</u>	<u>14,700,000</u>
Source of funds		
Education fund	<u>16,700,000</u>	<u>14,700,000</u>
Total	<u>16,700,000</u>	<u>14,700,000</u>

Sec. C.113 2017 Acts and Resolves No. 85, Sec. B.504.1 as amended by 2018 Acts and Resolves No. 87, Sec. 32 is further amended to read:

Sec. B.504.1 Education - Flexible Pathways

Grants	<u>7,850,000</u>	<u>7,100,000</u>
Total	<u>7,850,000</u>	<u>7,100,000</u>
Source of funds		
Education fund	<u>7,850,000</u>	<u>7,100,000</u>
Total	<u>7,850,000</u>	<u>7,100,000</u>

Sec. C.114 2017 Acts and Resolves No. 85, Sec. B.516 as amended by 2018 Acts and Resolves No. 87, Sec. 33 is further amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	427,964,287	427,964,287
Special funds	22,238,547	22,238,547
Tobacco fund	750,388	750,388
Education fund	<u>1,615,538,843</u>	<u>1,620,788,843</u>
Federal funds	136,958,720	136,958,720
Global Commitment fund	260,000	260,000
Interdepartmental transfers	4,608,110	4,608,110

Pension trust funds	<u>7,687,431</u>	<u>7,687,431</u>
Total	<u>2,216,006,326</u>	<u>2,221,256,326</u>

Sec. C.115 2017 Acts and Resolves No. 85, Sec. B.514 is amended to read:

Sec. B.514 State teachers' retirement system

Grants	<u>83,809,437</u>	<u>84,109,437</u>
Total	<u>83,809,437</u>	<u>84,109,437</u>
Source of funds		
General fund	<u>75,912,816</u>	<u>76,212,816</u>
Education fund	<u>7,896,621</u>	<u>7,896,621</u>
Total	<u>83,809,437</u>	<u>84,109,437</u>

Sec. C.116 2017 Acts and Resolves No. 85, Sec. B.515 is amended to read:

Sec. B.515 Retired teachers' health care and medical benefits

Grants	<u>27,560,966</u>	<u>27,260,966</u>
Total	<u>27,560,966</u>	<u>27,260,966</u>
Source of funds		
General fund	<u>27,560,966</u>	<u>27,260,966</u>
Education fund	0	
Total	<u>27,560,966</u>	<u>27,260,966</u>

Sec. C.117 2017 Acts and Resolves No. 85, Sec. E.514 is amended to read:

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$88,409,437 of which ~~\$83,809,437~~ \$84,109,437 shall be the State's contribution and ~~\$4,600,000~~ \$4,300,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

\* \* \*

Sec. C.118 2017 Acts and Resolves No. 85, Sec. E.515 is amended to read:

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), ~~\$27,560,966~~ \$27,260,966 will be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. C.119 2017 Acts and Resolves No. 85, Sec. D.101 as amended by 2018 Acts and Resolves No. 87, Sec. 36 is further amended to read:

Sec. D.101 FISCAL YEAR 2018 FUND TRANSFERS, REVERSIONS,  
AND RESERVES

\* \* \*

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2018:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

1210001000	Legislative Council	150,000.00
<del>1210002000</del>	<del>Legislature</del>	<del>385,000.00</del>
1230001000	Sergeant at Arms	19,000.00
7120890704	International Trade Commission	7,711.88
1110003000	Budget & Management	27,921.28
1100010000	Secretary of Administration	100,000.00
1140070000	Use Tax Reimbursement Program	404.00
1240001000	Lieutenant Governor	21,424.41
1250010000	Auditor of Accounts	53,389.23
2100002000	Court Diversion	24,744.91
2160010000	Victims Compensation	489.05
2280001000	Human Rights Commission	10,000.00
3310000000	Commission on Women	3,040.00
5100070000	Education – Education Services	128.66
5100060000	Adult Basic Education	1,065.35
7100000000	Administration Division	3,000.00

\* \* \*

Sec. C.1000 FISCAL YEAR 2018 GENERAL FUND ONE-TIME  
 APPROPRIATIONS, TRANSFERS, AND REVERSIONS

(a) Appropriations: The following appropriations are made from the General Fund in fiscal year 2018:

(1) To the Joint Fiscal Committee for the decarbonization mechanisms study as prescribed in Sec. C.110(b)(3) of this act. \$120,000

(2) To the Legislature for a legislative staff workforce comparative evaluation specified in Sec. E.126 of this act. \$40,000

(3) To the Agency of Agriculture, Food and Markets to be carried forward and used to increase grants awarded in the Vermont Working Lands Enterprise program in fiscal year 2019. \$106,000

(4) To the Vermont State Colleges for the final State contribution for costs of the unification of Johnson and Lyndon State colleges into Northern Vermont University. \$350,000

(5) To the Department of State's Attorneys and Sheriffs to be carried forward and used for transport per diem funding in fiscal year 2019 for Vermont Sheriffs. \$105,776

(6) To the Joint Fiscal Office for the Vermont Tax Structure Commission established in Sec. H.17 of this act. \$500,000

(7) To the Agency of Education in fiscal year 2018 to be carried forward for fiscal year 2019 under 16 V.S.A. § 2969(c) for the Agency to administer the grant program in accordance with Sec. E.500.6 of this act. \$250,000

(8) To the Secretary of State for costs associated with administering primary and general election efforts. \$400,000

(9) To the State's Attorneys for the purchase of a case management system. \$200,000

(10) To the Agency of Agriculture, Food and Markets to be carried forward for Farm to School initiatives in fiscal year 2019. \$50,000

(11) To the Vermont Economic Development Authority (VEDA) to be used by VEDA's agricultural subsidiary the Vermont Agricultural Credit Corporation (VACC) established under 10 V.S.A. § 374a. These funds are for a loss reserve in the 2018 Farm Operating Program which provides Vermont cow dairy farmers with loans to spring operating and related needs including refinancing debt. VEDA shall report to the Emergency Board at its July 2018 meeting on final program design and the use of these funds. \$250,000

(12) To the Agency of Agriculture, Food and Markets to partially offset costs of participation in the Federal Margin Protection Program (MPP) for dairy producers during the 2018 calendar year. Specifically these funds shall be used to provide reimbursement grants to partially offset the premiums for participation in Tier 1 of the MPP program. The Agency of Agriculture, Food and Markets shall request that the Farm Services Agency provide participation information for dairy producers in the margin protection program and other information to assist the Agency to administer the grant program. Dairy producers shall receive a single payment of approximately \$600, not to exceed the premium paid for calendar year 2018, by separate check from the State of Vermont. The Agency shall calculate a single farm payment amount based on the funds appropriated and the actual participation in this program and shall report to the Joint Fiscal Committee on or before November 10, 2019 on the amount of the calculated payment. \$450,000

(13) To the Agency of Agriculture, Food and Markets to be carried forward for a grant to the Vermont Housing and Conservation Board for federal rural development grant writing assistance in fiscal year 2019.

\$75,000

(14) To the Agency of Human Services in fiscal year 2018 for any remaining amount of the Medicaid financial requirements specified in Sec. C.102 of this act that are not available within the funds appropriated in 2017 Acts and Resolves No. 85, Sec. B.301 as amended by 2018 Acts and Resolves No. 87, Sec. 8. The Agency shall expend funds available in this appropriation after meeting the requirements specified in Sec. C.102 of this act to the extent available to maintain critical healthcare services that have lost federal funding and to support substance use disorder activities including needle exchange programs, active case management of opioid addicted persons and the distribution of naloxone. The Agency shall report to the Joint Fiscal Committee at its July and September 2018 meetings on the funds allocated for the purposes allowed by this subdivision.

\$7,100,000

(15) To the Agency of Commerce and Community Development to fund expenses including the refund of subscriptions related to Vermont Life Magazine.

\$350,000

(b) Transfers:

(1) The amount of \$1,790,000 in General Funds shall be transferred and reserved in the 27/53 Reserve in fiscal year 2018. This action is the fiscal year 2019 contribution to the 27th payroll reserve as required by 32 V.S.A. § 308e.

(2) The amount of \$453,292 in General Funds shall be transferred to the Clean Energy Development Fund as a result of final accounting reconciliation for the cost of solar energy tax credits.

(3) The amount of \$9,800,000 in General Funds shall be transferred to the Education Fund to bring the Education Fund reserve to its statutory maximum of five percent at the close of fiscal year 2018 and the close of fiscal year 2019.

(4) The amount of \$3,536,000 in General Funds is transferred to the Vermont Life Magazine Enterprise Fund to address accumulated operational deficits.

(5) The amount of \$20,400,000 in General Funds is transferred from the General Fund to the Education Fund and carried forward to fiscal year 2019.

(6) The amount of \$14,100,000 in General Funds is transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

(c) Reversion: In fiscal year 2018, \$120,000 of the appropriation made in 2017 Acts and Resolves No. 85, Sec. C.100(c), shall revert to the General Fund.

(d) Fund Balance Carried Forward:

(1) \$500,000 shall be reserved in the General Fund to carry forward to be available in fiscal year 2019 to obviate any transfer of funds from the Clean Energy Development Fund to the General Fund in fiscal year 2019.

(e) Contingent Reserves: In fiscal year 2018, to the extent any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus remains after satisfying the requirements of 32 V.S.A. § 308 and prior to the provisions of 2017 Acts and Resolves No. 85, Sec. C.120 as amended by this act:

(1) \$12,000,000 shall be reserved in the General Fund and shall be carried forward to be available in fiscal year 2019 to offset any one-time personal income tax or corporate tax refund liabilities.

(2) Any remaining unreserved and undesignated end-of-fiscal-year General Fund surplus is transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

#### Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$518,000 is appropriated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts above \$518,000 from the property transfer tax that are deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$9,804,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Notwithstanding 10 V.S.A. § 312, amounts above \$9,804,840 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond (10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the Vermont Housing and Conservation Board (VHCB) and \$1,000,000 from the surcharge established by 32 V.S.A.

§ 9602a. The fiscal year 2019 appropriation of \$9,804,840 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$3,760,599 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts above \$3,760,599 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,760,599 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$457,482 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b);

(C) \$378,700 to the Agency of Digital Services for the Vermont Center for Geographic Information established in 10 V.S.A. § 122.

#### Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the Next Generation Initiative Fund established by 16 V.S.A. § 2887: \$3,055,900.

(2) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund created under 6 V.S.A. § 4803: \$1,670,000.

(3) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$423,966.

(4) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for funding fiscal year 2020 transportation infrastructure bonds debt service: \$2,497,663.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2019:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>8,193,326.00</u>
--------------	---	---------------------

<u>50300</u>	<u>Liquor Control Fund</u>	<u>1,805,000.00</u>
	<u>Caledonia Fair</u>	<u>5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>24,250.00</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund in fiscal year 2019. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees &amp; Reimbursements-Court Order</u>	<u>2,000,000.00</u>
<u>21928</u>	<u>Secretary of State Services Fund</u>	<u>2,607,923.00</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>3,415,143.00</u>

(3) In fiscal year 2019, notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$30,014,057 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (Fund Number 21075), the Captive Insurance Regulatory and Supervision Fund (Fund Number 21085), and the Securities Regulatory and Supervision Fund (Fund Number 21080) shall be transferred to the General Fund.

(A) Any remaining unencumbered balances in these funds in fiscal year 2019 up to the amount of \$6,080,000 shall remain in these funds for transfer to the General Fund in fiscal year 2020 consistent with the intent of 2016 Acts and Resolves No. 172, Sec. E.228. Fiscal year 2019 unencumbered balances above this amount shall be transferred to the General Fund and reserved in the General Fund Balance Reserve (Rainy Day Fund).

(c) Notwithstanding any provisions of law to the contrary, in fiscal year 2019:

(1) The following amounts shall revert to the General Fund from the accounts indicated:

<u>1130010000</u>	<u>Department of Libraries</u>	<u>234,209.00</u>
<u>1210001000</u>	<u>Legislative Council</u>	<u>113,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>175,000.00</u>
<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>30,000.00</u>

(d) To the extent that the Emergency Board determines at its July 2018 meeting that the fiscal year 2019 available General Fund forecast exceeds \$1,568,200,000 as adjusted by any tax or revenue changes made through the 2018 legislative session:



(1) Funds carried forward in accordance with the provisions of Sec. C.1000(e) of this act shall be transferred to the Vermont Teachers' Retirement Fund established pursuant to 16 V.S.A. § 1944.

Sec. D.102 TOBACCO LITIGATION SETTLEMENT FUND BALANCE

(a) Notwithstanding 18 V.S.A. § 9502(b), the actual balances at the end of fiscal year 2018 in the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a shall remain for appropriation in fiscal year 2019.

Sec. D.103 TRANSFER OF TOBACCO TRUST FUNDS

(a) Notwithstanding 18 V.S.A. § 9502(a)(3) and (4), the actual amount of investment earnings of the Tobacco Trust Fund at the end of fiscal year 2019 and any additional amount necessary to ensure the balance in the Tobacco Litigation Settlement Fund at the close of fiscal year 2019 is not negative shall be transferred in fiscal year 2019 from the Tobacco Trust Fund established by 18 V.S.A. § 9502(a) to the Tobacco Litigation Settlement Fund established by 32 V.S.A. § 435a.

Sec. D.104 GLOBAL COMMITMENT TRANSFER

(a) The fund balance in the Global Commitment Fund, estimated to be up to \$79,846,983 as of June 30, 2018, shall be transferred as follows:

(1) \$1,760,000 shall be transferred to the General Fund and reserved in the 27/53 Reserve under 32 V.S.A. § 308e in order to fund the fiscal year 2019 obligation of the next year in which a 53rd week of Medicaid payments is due, scheduled to occur in fiscal year 2022.

(2) Notwithstanding 32 V.S.A. § 308b, \$64,022,729 shall be transferred to the General Fund and reserved in the Human Services Caseload Reserve and, within that Reserve, specifically reserved in the sub-account for any incurred but not reported Medicaid expenses associated with the current Medicaid Global Commitment waiver, reflecting the estimated amount of the State share of this potential obligation as of June 30, 2017.

(3) Notwithstanding 32 V.S.A. § 308b, up to \$14,064,254 shall be transferred to the General Fund and reserved in the Human Services Caseload Reserve, and within that Reserve, specifically reserved in the sub-account for Medicaid-related pressures related to caseload, utilization, and changes in federal participation in existing human services programs.

Sec. D.104.1 [DELETED]

Sec. D.105 32 V.S.A. § 308b is amended to read:

§ 308b. HUMAN SERVICES CASELOAD RESERVE

(a) There is created within the General Fund a Human Services Caseload ~~Management~~ Reserve. Expenditures from the Reserve shall be subject to an appropriation by the General Assembly or approval by the Emergency Board. Expenditures from the Reserve shall be limited to Agency of Human Services caseload-related needs primarily in the Departments for Children and Families; of Health; of Mental Health; of Disabilities, Aging, and Independent Living; ~~and of Vermont Health Access; and settlement costs associated with managing the Global Commitment waiver.~~

(b) The Secretary of Administration may transfer to the Human Services Caseload Reserve any General Fund carry-forward directly attributable to Agency of Human Services caseload reductions and the effective management of related federal receipts, with the exclusion of the Department of Corrections.

(c) The Human Services Caseload Reserve shall contain two sub-accounts:

(1) A sub-account for incurred but not reported Medicaid expenses. Each year beginning with fiscal year 2020, the Department of Finance and Management shall adjust the amount reserved for incurred but not reported Medicaid expenses to equal the amount specified in the Comprehensive Annual Financial Report as of June 30th of the prior fiscal year for the estimated amount of incurred but not reported Medicaid expenses associated with the current Medicaid Global Commitment waiver.

(2) A sub-account for Medicaid-related pressures related to caseload, utilization, changes in federal participation in existing human services programs, and settlement costs associated with managing the Global Commitment waiver. Any decrease in the amount of required reserves in subdivision (1) of this subsection shall first be reserved in the 27/53 Reserve under section 308e of this title in order to fund the current fiscal year obligation for the next year in which a 53rd week of Medicaid payments is due, next scheduled to occur in fiscal year 2022. The remainder shall result in an offsetting increase in the account for Medicaid-related pressures, as defined in subdivision (2) of this subsection. Any increase in the amount of required reserve in subdivision (1) of this subsection shall require a corresponding transfer from the funds reserved in subdivision (2) of this subsection, to the extent there are funds available.

Sec. D.106 [DELETED]

Sec. D.107 32 V.S.A. § 308c is amended to read:

§ 308c. GENERAL FUND AND TRANSPORTATION FUND BALANCE RESERVES

(a) There is hereby created within the General Fund a General Fund Balance Reserve, also known as the “Rainy Day Reserve.” After satisfying the requirements of section 308 of this title, and after other reserve requirements have been met, any remaining unreserved and undesignated end of fiscal year General Fund surplus shall be reserved in the General Fund Balance Reserve. The General Fund Balance Reserve shall not exceed five percent of the appropriations from the General Fund for the prior fiscal year without legislative authorization.

~~(1) The Emergency Board shall determine annually at its July meeting the amount of available general funds that is greater than the amount of forecasted available general funds most recently adopted by the Board for the current fiscal year adjusted by any legislative action projected to increase General Fund taxes that result in additional revenue in excess of \$1,000,000.00 over the revenue raised without legislative action in the current fiscal year. An amount not to exceed 33 percent of the amount determined in subdivision (1) shall be added to the base amount used to calculate the General Fund transfer under 16 V.S.A. § 4025(a)(2) for the next fiscal year. However, the amount to be added to the base amount used to calculate the General Fund transfer shall also not exceed 33 percent of the total amount which would be reserved in this subsection if not for the requirements of subdivisions (2) and (3) of this subsection. [Repealed.]~~

~~(2) Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 25 percent of any such funds shall be transferred from the General Fund to the Education Fund. [Repealed.]~~

(3) Of the funds that would otherwise be reserved in the General Fund Balance Reserve under this subsection, 50 percent of any such funds shall be reserved as necessary and transferred from the General Fund to the Retired Teachers’ Health and Medical Benefits Fund established by 16 V.S.A. § 1944b to reduce any outstanding balance of any interfund loan authorized by the State Treasurer from the General Fund. Upon joint determination by the Commissioner of Finance and Management and the State Treasurer that there is no longer any outstanding balance, no further transfers in accordance with this subdivision shall occur.

\* \* \*

---

Sec. D.108 STATE HEALTH CARE RESOURCES FUND TRANSITION

(a) The Commissioner of Finance and Management may include in the Governor's proposed fiscal year 2019 budget adjustment report any recommendations and draft legislation necessary to transfer revenues and expenditures as appropriate that make up the State Health Care Resources Fund to the General Fund by the close of fiscal year 2019.

Sec. D.109 REVIEW OF THE STATUTORY RESERVE LEVELS

(a) On or before October 31, 2018, the Joint Fiscal Office and the Department of Finance and Management shall review the statutory reserve requirements for the General Fund, the Education Fund, and the State Health Care Resources Fund, and make recommendations for changes to the existing statutory requirements, taking into consideration actions taken during the 2018 legislative session.

Sec. D.110 FORECAST CONTINGENT TRANSFER FROM GENERAL FUND TO EDUCATION FUND

(a) If the total sales and use tax forecast adopted by the Emergency Board in July 2018 for fiscal year 2019 (the "adopted forecast") is less than \$403,900,000, then the Commissioner of Finance and Management shall unreserve from the General Fund Balance Reserve (the "Rainy Day Fund") and transfer to the Education Fund an amount equaling the difference between the adopted forecast and \$403,900,000; provided, however, that not more than \$3,000,000 shall be unreserved and transferred. The Commissioner of Finance and Management shall not transfer any funds if the adopted forecast is greater than \$403,900,000.

\* \* \* GENERAL GOVERNMENT \* \* \*

Sec. E.100 EXECUTIVE BRANCH POSITION AUTHORIZATIONS

(a) The establishment of the following new permanent classified positions is authorized in fiscal year 2019:

(1) In the Agency of Education – one (1) Finance Administrator II and one (1) School Finance Analyst. The positions established in this subdivision shall be transferred and converted from existing vacant positions in the Executive Branch and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act.

(b) The conversion of classified limited service positions to classified permanent status is authorized in fiscal year 2019 as follows:

(1) In the Department of Public Safety – one (1) Financial Administrator II (position #330359) and one (1) Public Assistance Administrator (position #330361).

(2) In the Green Mountain Care Board – one (1) Board Legal Technician (position #270012), one (1) Health Policy Advisor (position #270013), and one (1) Evaluation Manager (position #270017).

(3) In the Agency of Education – one (1) Education Programs Coordinator I (position #770468).

(c) The conversion of exempt limited service positions to classified permanent status is authorized in fiscal year 2019 as follows:

(1) In the Department of Public Safety – one Public Assistance Officer (position #337013).

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E.100(d), as amended by 2015 Acts and Resolves No. 4, Sec. 74, by 2016 Acts and Resolves No.172, Sec. E.100.2, and by 2017 Acts and Resolves No. 85, Sec. E.100.1, is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

(1) Notwithstanding Sec. A.107 of this act, the Agency of Transportation, the Department for Children and Families, the Agency of Natural Resources, the Department of Buildings and General Services, the Department of Labor, the Department of Corrections, ~~and~~ the Department of Public Safety, the Department of State’s Attorneys and Sheriffs, and the Vermont Veterans’ Home shall not be subject to the cap on positions for the duration of the Pilot.

(A) The Department of Corrections is authorized to add only Correctional Officer I and II positions.

(B) The Department of State’s Attorneys and Sheriffs is authorized to add only State’s Attorney positions.

(C) The Vermont Veterans’ Home is authorized to add direct care positions, including part-time positions. Prior to authorizing positions under subdivision (d)(2) of this section, the Secretary of Administration shall be provided the financial analysis from the Vermont Veterans’ Home reviewed by the Commissioner of Finance and Management which demonstrates reduction in the cost of overtime expenses or other expenses equal to or greater than the projected cost of the positions for the current and successive fiscal year of operations.

\* \* \*

(7) This Pilot shall sunset on July 1, ~~2018~~ 2020, unless extended or modified by the General Assembly.

(8) On or before January 15, ~~2018~~ 2019, the Commissioner of Human Resources, in coordination with the Vermont State Employees' Association (VSEA), shall provide a report by department on the total number of positions created under the authority of this section to the House and Senate Committees on Appropriations. ~~The Commissioner report shall include in the report~~ a recommendation on whether this program should be expanded and continue and, if so, should it be extended but remain in session law or be made permanent by codification in statute.

Sec. E.100.2 [DELETED]

Sec. E.105 Agency of digital services

(a) Of the internal service funds appropriated in Sec. B.105 of this act, up to \$600,000 is appropriated for a 24/7 cybersecurity operations center. These funds may only be spent upon approval of a budget and a spending plan by the Joint Fiscal Committee at its July 2018 meeting.

(1) The Agency shall consult with the information technology consultant to the Joint Fiscal Office in developing the budget and plan.

(2) The Joint Fiscal Office Information Technology Consultant shall present a report to the Joint Fiscal Committee to accompany the Agency's submission to provide an independent recommendation and review of the proposed budget and plan.

Sec. E.105.1 AGENCY OF DIGITAL SERVICES; REPORT ON STATE INFORMATION TECHNOLOGY EFFICIENCIES

(a) On or before January 15, 2019, the Secretary of Digital Services shall demonstrate in a report to the Senate Committees on Appropriations and on Government Operations and the House Committees on Appropriations and on Energy and Technology that the consolidation of State information technology services under the jurisdiction of the Agency has been at a minimum cost-neutral and shall specifically provide in this report the estimated dates on which the following will occur:

(1) the Agency's internal service fund negative balance will be reduced; and

(2) agency and department information technology charges paid to the Agency will be lowered.

Sec. E.111 Tax – administration/collection

(a) Of this appropriation, \$15,000 is from the Current Use Administration Special Fund established by 32 V.S.A. § 9610(c) and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.

Sec. E.111.1 2007 Acts and Resolves No. 65, Sec. 282, as amended by 2011 Acts and Resolves No. 63, Sec. C.103, as amended by 2013 Acts and Resolves No. 1, Sec. 65, as amended by 2014 Acts and Resolves No. 95, Sec. 62, as amended by 2018 Acts and Resolves No. 85, Sec. 47, is further amended to read:

Sec. 282. TAX COMPUTER SYSTEM MODERNIZATION FUND

(a) Creation of fund.

(1) There is established the Tax Computer System Modernization Special Fund to consist of:

(A) The tax receipts received as a direct result of the data warehouse project initiated by the Department of Taxes beginning in calendar year 2011; and

(B) Eighty percent of tax receipts received as a direct result of the data sharing and comparison project between the Vermont Department of Labor and the Department of Taxes relative to entity and employee filings at both departments and/or lack thereof; and

(C) The incremental tax receipts received as a direct result of the implementation of the integrated tax system beginning in calendar year 2014, including any additional data warehouse modules. The Commissioner of Finance and Management shall approve baseline tax receipts in order to measure the increment from the new integrated tax system.

(2) Balances in the Fund shall be administered by the Department of Taxes and used for the exclusive purposes of funding: A) ancillary development of information technology systems necessary for implementation and continued operation of the data warehouse project; B) payments due to the vendor under the data warehouse project contract; C) enhanced compliance costs related to the data warehouse project; D) planning for an integrated tax system solution, including present-day analysis of business case and business requirements, requests for proposals and due diligence; E) implementation of tax types and any additional data warehouse modules into the selected integrated tax system solution; F) a micro-simulation model for use by the Department of Taxes and the Joint Fiscal Office; and G) implementation of an ancillary scanning system to enhance the operation of tax types incorporated

into the integrated tax system solution. All balances in the Fund at the end of any fiscal year shall be carried forward and remain part of the Fund. Interest earned by the Fund shall be deposited into the Fund. This Fund is established in the State Treasury pursuant to 32 V.S.A. chapter 7, subchapter 5.

(b) Appropriation.

(1) There is appropriated in fiscal year 2008 from the Special Fund the sum of up to \$7,800,000 to the Department of Taxes for the purposes described in subdivision (a)(2) of this section. The Commissioner shall anticipate receipts in accordance with 32 V.S.A. § 588(4)(C).

(c) Transfer.

(1) Twenty percent of the tax receipts received pursuant to subdivision (a)(1)(A) of this section after payment to the vendor under the data warehouse contract shall be transferred to the General Fund annually for the duration of that contract. Thereafter, 20 percent of the tax receipts received pursuant to subdivision (a)(1)(A) shall be transferred to the ~~General~~ Fund which would receive the underlying tax receipts annually until the expiration of the Tax Computer System Modernization Fund.

(2) Twenty percent of the incremental tax receipts calculated pursuant to subdivision (a)(1)(C) shall be transferred to the ~~General~~ Fund which would receive the underlying tax receipts annually until the expiration of the Tax Computer Modernization Fund.

(d) Fund to terminate.

(1) This Fund shall terminate on July 1, 2024, provided that all amounts due pursuant to contract with the vendor of an integrated tax solution referenced in subdivision (a)(1)(C) of this section have been paid and any unexpended unencumbered balance in the Fund shall be transferred to the General Fund.

(e) The Commissioner of Taxes shall report to the Joint Fiscal Committee on fund receipts at or prior to the November Joint Fiscal Committee meeting each year until the Fund is terminated.

Sec. E.113 Buildings and general services – engineering

(a) The \$3,432,525 interdepartmental transfer in this appropriation shall be from the fiscal year 2019 General Bond Fund appropriation in the Capital Bill of the 2017 legislative session (2017 Acts and Resolves No. 85, Sec. 2(c)(3)).

Sec. E.114 29 V.S.A. § 169 is amended to read:

§ 169. BROCHURE DISTRIBUTION FEES

\* \* \*



(b) A special fund is established to be administered as provided under 32 V.S.A. chapter 7, subchapter 5 of chapter 7 of Title 32, and to be known as the ~~brochure distribution special fund~~ Brochure Distribution Special Fund for the purposes of ensuring that the fees collected under this section are utilized to fund travel destination promotion, ~~and information at the state's~~ State's travel information centers, ~~and operations and maintenance of State travel information centers~~. Revenues to the ~~fund~~ Fund shall be those fees collected for the placement and distribution of brochures of businesses in the ~~state~~ State travel information centers and in other locations deemed appropriate by the ~~department~~ Department.

\* \* \*

Sec. E.126 LEGISLATIVE BRANCH WORKFORCE COMPARATIVE  
EVALUATION

(a) The Speaker of the House and President Pro Tempore of the Senate shall contract with the National Conference of State Legislatures (NCSL) to perform a comprehensive evaluation of compensation, staffing, workload, and organization concerning the staff and offices of the Vermont General Assembly.

(b) NCSL's evaluation shall examine and provide recommendations on the following issues:

(1) Compensation.

(A) Comparison between the salaries and other compensation earned by staff of the Vermont General Assembly and the salaries and compensation earned by employees with similar responsibilities, workload, qualifications, and experience of:

(i) the Executive and Judicial Branches of Vermont State government;

(ii) other state legislatures; and

(iii) the private sector, if appropriate.

(B) Analysis of how states use salary schedules or other systems for determining the salaries of legislative employees.

(2) Staffing and workload.

(A) Analysis of the workload for each job description or category of legislative staff and each office or unit of the General Assembly as compared with employees with similar responsibility, workload, qualifications, and experience in:

(i) the Executive and Judicial Branches of Vermont State government;

(ii) other state legislatures; and

(iii) the private sector, if appropriate.

(B) The analysis of workload pursuant to subdivision (A) of this subdivision (2) shall include a comparison of:

(i) the job posting or job description relevant to each category or position;

(ii) the number of legislative members and committees that employees are responsible for or responsive to;

(iii) the range of responsibilities; and

(iv) the professional background, qualifications, subject matter expertise, or experience required by the job description or necessary to fulfill the position's responsibilities.

(3) Organization and structure.

(A) A comparison to other states of the current organization, structure, and oversight of the offices of the General Assembly, including:

(i) the strengths and weaknesses of the current organization and structure; and

(ii) alternative structures, if any, that may increase efficiency and improve the support and services provided to the members of the General Assembly.

(c) NCSL shall submit a final written report to the Speaker of the House, the President Pro Tempore of the Senate, the Joint Fiscal Committee, the Legislative Council Committee, the Joint Information Technology Oversight Committee, the House Rules Committee, the Senate Rules Committee, and the Joint Rules Committee on or before November 16, 2018.

#### Sec. E.126.1 JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE; SYSTEM-WIDE REVIEW

(a) During the 2018 legislative interim, the Joint Legislative Justice Oversight Committee shall undertake a review of Vermont's justice system, including both State and local functions. With a focus on reducing crime, improving public safety, decreasing recidivism, and increasing accountability and cost-efficiencies, the review shall include evaluating:

(1) the Vermont State Auditor's 2017 report to the General Assembly on State and local spending on public safety;

(2) the existing administrative framework and physical infrastructure for redundancies and inefficiencies;

(3) existing criminal penalties and corrections policies;

(4) the manner by which the justice system utilizes technology; and

(5) strategies to reform the structure of the justice system to ensure consistency and cost-efficiency statewide.

(b) Any resulting recommendations to the General Assembly shall be in the form of proposed legislation.

Sec. E.126.2 2 V.S.A. chapter 18 is added to read:

CHAPTER 18. JOINT INFORMATION TECHNOLOGY  
OVERSIGHT COMMITTEE

§ 614. JOINT INFORMATION TECHNOLOGY OVERSIGHT  
COMMITTEE

(a) Creation. There is created the Joint Information Technology Oversight Committee to oversee investments in and use of information technology in Vermont.

(b) Membership. The Committee shall be composed of six members as follows:

(1) three members of the House of Representatives, not all of whom shall be from the same political party, who shall be appointed by the Speaker of the House; and

(2) three members of the Senate, not all of whom shall be from the same political party, who shall be appointed by the Committee on Committees.

(c) Powers and duties. The Committee shall oversee, evaluate, and make recommendations on the following:

(1) the State's current deployment, management, and oversight of information technology in the furtherance of State governmental activities, including data processing systems, telecommunications networks, and related technologies, particularly with regard to issues of compatibility among existing and proposed technologies;

(2) issues related to the storage of, maintenance of, access to, privacy of, and restrictions on use of computerized records;

(3) issues of public policy related to the development and promotion of the private, commercial, and nonprofit information infrastructure in the State, its relationship to the State government information infrastructure, and its integration with national and international information networks; and

(4) cybersecurity.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Council and the Joint Fiscal Office.

(e) Meetings.

(1) The Committee shall elect a chair and vice chair from among its members and shall adopt rules of procedure. The Chair shall rotate biennially between the House and Senate members.

(2) A majority of the membership shall constitute a quorum.

(3) The Committee may meet when the General Assembly is not in session or at the call of the Chair.

(f) Reimbursement. For attendance at meetings during adjournment of the General Assembly, members of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

Sec. E.127 REVIEW AND EVALUATION OF DEPARTMENT OF  
CORRECTIONS HEALTH CARE SERVICES

(a) The Joint Fiscal Office (JFO), in coordination with the Office of Legislative Council, shall review and evaluate the policies, contracts, and processes the Department of Corrections (DOC) uses to deliver health care services to assess whether current costs are excessive. The evaluation shall include a review of whether there is potential for the State to achieve savings in providing health care services to inmates and whether the State is contracting for appropriate services.

(b) The JFO is authorized to contract for all or part of the review and evaluation described in subsection (a) of this section. The JFO shall also receive the assistance of the Agency of Human Services and any other relevant State government entity, as needed.

(c) On or before November 1, 2018, the JFO shall submit an update on the review and evaluation described in subsection (a) of this section to the Joint Legislative Justice Oversight Committee. On or before January 15, 2019, the JFO shall submit a final report to the House Committees on Appropriations, on Corrections and Institutions, and on Health Care, and the Senate Committees on Appropriations, on Institutions, and on Health and Welfare.

Sec. E.133 Vermont state retirement system

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2019, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 [DELETED]

Sec. E.142 Payments in lieu of taxes

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.142.1 PILOT SPECIAL FUND PAYMENTS

(a) Total payments from the PILOT Special Fund under 32 V.S.A. § 3709 include the appropriation of \$8,036,000 in Sec. B.142 of this act, the appropriation of \$184,000 for the City of Montpelier in Sec. B.143 of this act, the appropriation of \$40,000 for correctional facilities in Sec. B.144 of this act, and the appropriation of \$146,000 for the supplemental facility payments from the Department of Corrections to the City of Newport and the Town of Springfield in Sec. B.338 of this act.

Sec. E.143 Payments in lieu of taxes – Montpelier

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 Payments in lieu of taxes – correctional facilities

(a) Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

\* \* \* PROTECTION TO PERSONS AND PROPERTY \* \* \*

Sec. E.200 Attorney general

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,390,500 is appropriated in Sec. B.200 of this act.

Sec. E.200.1 3 V.S.A. § 167a is added to read:

§ 167a. COMPLEX LITIGATION SPECIAL FUND

(a) There is established the Complex Litigation Special Fund pursuant to 32 V.S.A. chapter 7, subchapter 5 to be available for expenditure by the Attorney General, as annually appropriated or authorized pursuant to 32 V.S.A.

§ 511, to pay nonroutine expenses, not otherwise budgeted, incurred in the investigation, prosecution, and defense of complex civil and criminal litigation. These expenses may include, for example, costs incurred for expert witnesses and for support staff and technology needed to review and manage voluminous documents in discovery and at trial in complex cases.

(b) The Fund shall consist of:

(1) Such sums as may be appropriated or transferred by the General Assembly.

(2) Settlement monies other than consumer restitution collected by the Office of the Attorney General, except for those recoveries that by law are transferred or appropriated for other uses pursuant to 9 V.S.A. § 2458(b)(4), and subject to the Fund balance cap in subsection (c) of this section.

(c) The unencumbered Fund balance shall not exceed \$1,000,000.00.

(d) The Attorney General shall submit a report of the amount and purpose of expenditures from the Fund at the close of each fiscal year to the Joint Fiscal Committee annually on or before September 1. As part of the annual budget submission, the Attorney General shall include a projection of the Fund balance for the current fiscal year and upcoming fiscal year and may recommend appropriations as needed consistent with the purpose of the Fund.

Sec. E.200.2 3 V.S.A. § 152 is amended to read:

#### § 152. SCOPE OF AUTHORITY

The Attorney General may represent the State in all civil and criminal matters as at common law and as allowed by statute. The Attorney General shall also have the same authority throughout the State as a State's Attorney. The Attorney General shall represent members of the General Assembly in all civil matters arising from or relating to the performance of legislative duties.

Sec. E.200.3 3 V.S.A. § 157 is amended to read:

#### § 157. APPEARANCE FOR STATE

The Attorney General shall appear for the State in the preparation and trial of all prosecutions for homicide and civil or criminal causes in which the State is a party or is interested when, in his or her judgment, the interests of the State so require. The Attorney General shall represent members of the General Assembly in all civil causes arising from or relating to the performance of legislative duties.

---

Sec. E.200.4 ATTORNEY GENERAL POSITION

(a) The establishment of one (1) permanent classified position - IT Specialist II - is authorized in fiscal year 2019.

Sec. E.204 JUDICIAL BRANCH POSITIONS

(a) The establishment of seven (7) new permanent exempt positions is authorized in fiscal year 2019 as follows: five (5) Docket Clerk B and two (2) Law Clerk.

Sec. E.207 INMATE TRANSPORTATION WORK GROUP

(a) There is established an Inmate Transportation Work Group to study Vermont's system of transporting inmates for court appearances and make recommendations for improving the system's processes and efficiency and reducing its cost.

(b) The Work Group shall be composed of the following members:

(1) The Secretary of Administration or designee.

(2) The Chief Superior Judge or designee.

(3) The Executive Director of the Department of State's Attorneys and Sheriffs or designee.

(4) The President of the Vermont Sheriffs' Association or designee.

(5) The Defender General or designee.

(6) The Commissioner of Corrections or designee.

(7) The Commissioner of Mental Health or designee.

(8) The Commissioner for Children and Families or designee.

(c) The Work Group shall study how to develop and implement a system that ensures inmates are transported to court when necessary in the most cost-effective and efficient manner possible. The study shall include:

(1) any recommendations for process improvements to the current inmate transport system;

(2) recommendations for methods to ensure that transport deputies are available when needed;

(3) analysis of whether transport should be provided by the Judiciary, the Executive, or a statewide entity; and

(4) consideration of whether transported inmates should be permitted to be scheduled first in court proceedings in order to reduce transport deputy costs.

(d) On or before November 1, 2018, the Work Group shall submit a report to the Senate and House Committees on Appropriations and Judiciary, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions containing its recommendations, including any proposals for legislative action.

Sec. E.208 Public safety – administration

(a) The Commissioner of Public Safety is authorized to enter into a contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

(b) Up to \$86,000 of any funds appropriated in 2017 Acts and Resolves No. 85, Sec. C.100(e) may be carried forward to fiscal year 2019 and used for the purchase of Taser electroshock weapons by the State Police.

Sec. E.209 Public safety – state police

(a) Of this appropriation, \$35,000 in special funds shall be available for snowmobile law enforcement activities and \$35,000 in general funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of this appropriation, \$405,000 is allocated for grants in support of the Drug Task Force and the Gang Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force and to support the efforts of the Mobile Enforcement Team (Gang Task Force) or carried forward.

Sec. E.212 Public safety – fire safety

(a) Of this General Fund appropriation, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 Military – administration

(a) The amount of \$474,000 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Educational Assistance Program established in 16 V.S.A. § 2856 and § 2857 as established in this act. Of this amount, \$324,000 shall be general funds appropriated in Sec. B.215



and \$150,000 shall be Next Generation special funds, as appropriated in Sec. B.1100(a)(3)(B) of this act.

Sec. E.215.1 16 V.S.A. § 2857 is added to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

(a) Program creation. The Vermont National Guard Tuition Benefit Program (Program) is created, under which a member of the Vermont National Guard (member) who meets the eligibility requirements in subsection (c) of this section is entitled to the following tuition benefit for up to full-time attendance:

(1) For courses at either campus of the Northern Vermont University (NVU), the University of Vermont and State Agricultural College (UVM), or at the Community College of Vermont (CCV), the benefit shall be the in-state residence tuition rate for the relevant institution.

(2) For courses at a Vermont State College other than NVU, or at any eligible Vermont private postsecondary institution, the benefit shall be the in-state tuition rate charged by NVU.

(3) For courses at an eligible training institution offering nondegree, certificate training, or continuing education programs, the benefit shall be the lower of the institution's standard tuition or the in-state tuition rate charged by NVU.

(b) The tuition benefit provided under the Program shall be paid on behalf of the member by the Vermont Student Assistance Corporation (VSAC), subject to the appropriation of funds by the General Assembly specifically for this purpose. An eligible Vermont postsecondary institution that accepts or receives the tuition benefit on behalf of a member shall charge the member the tuition rate for an in-state student. The amount of tuition for a member who attends an educational institution under the Program on less than a full-time basis shall be reduced to reflect the member's course load in a manner determined by VSAC under subdivision (f)(1) of this section. The tuition benefit shall be conditioned upon the member's executing a promissory note obligating the member to repay the member's tuition benefit, in whole or in part, if the member fails to complete the period of Vermont National Guard service required in subsection (d) of this section, or if the member's benefit is terminated pursuant to subdivision (e)(1) of this section.

(c) Eligibility. To be eligible for the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be an active member of the Vermont National Guard;

(2) have successfully completed basic training;

(3) be enrolled at UVM, a Vermont State College, or any other college or university located in Vermont in a program that leads to an undergraduate certificate or degree or at an eligible training institution in a program that leads to a certificate or other credential recognized by VSAC;

(4) have not previously earned an undergraduate bachelor's degree;

(5) continually demonstrate satisfactory academic progress as determined by criteria established by the Vermont National Guard and VSAC, in consultation with the educational institution at which the individual is enrolled under the Program;

(6) have exhausted any post-September 11, 2001 tuition benefits and other federally funded military tuition assistance; provided, however, that this subdivision shall not apply to Montgomery GI Bill benefits, post-September 11, 2001 educational program housing allowances, federal educational entitlements, National Guard scholarship grants, loans under section 2856 of this title, and other nontuition benefits; and

(7) have submitted a statement of good standing to VSAC signed by the individual's commanding officer within 30 days prior to the beginning of each semester.

(d) Service commitment.

(1) For each full academic year of attendance under the Program, a member shall be required to serve two years in the Vermont National Guard in order to receive the full tuition benefit under the Program.

(2) If a member's service with the Vermont National Guard terminates before the member fulfills this two-year service commitment, other than for good cause as determined by the Vermont National Guard, the individual shall reimburse VSAC a pro rata portion of the tuition paid under the Program pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(3) For members participating in the Program on a less than full-time basis, the member's service commitment shall be at the rate of one month of Vermont National Guard service commitment for each credit hour, not to exceed 12 months of service commitment for a single semester.

(e)(1) Termination of tuition benefit. The Office of the Vermont Adjutant and Inspector General may terminate the tuition benefit provided an individual under the Program if:

(A) the individual's commanding officer revokes the statement of good standing submitted pursuant to subdivision (c)(7) of this section as a

result of an investigation or disciplinary action that occurred after the statement of good standing was issued;

(B) the individual is dismissed from the educational institution in which the individual is enrolled under the Program for academic or disciplinary reasons; or

(C) the individual withdraws without good cause from the educational institution in which the individual is enrolled under the Program.

(2) If an individual's tuition benefit is terminated pursuant to subdivision (1) of this subsection, the individual shall reimburse VSAC for the tuition paid under the Program, pursuant to the terms of an interest-free reimbursement promissory note signed by the individual at the time of entering the Program; shall be responsible on a pro rata basis for the remaining tuition cost for the current semester or any courses in which the individual is currently enrolled; and shall be ineligible to receive future tuition benefits under the Program.

(3) If an individual is dismissed for academic or disciplinary reasons from any postsecondary educational institution before receiving tuition benefits under the Program, the Office of the Adjutant and Inspector General may make a determination regarding the individual's eligibility to receive tuition benefits under the Program.

(f)(1) Adoption of policies, procedures, and guidelines. VSAC, in consultation with the Office of the Adjutant and Inspector General, shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, which shall include eligibility, application, and acceptance requirements, pro-ration of service requirements for academic semesters or attendance periods shorter than one year, data sharing guidelines, and the criteria for determining "good cause" as used in subdivisions (d)(2) and (e)(1)(C) of this section.

(2) Each educational institution participating in the Program shall adopt policies and procedures for the enrollment of members under the Program. These policies and procedures shall be consistent with the policies, procedures, and guidelines adopted by VSAC under subdivision (1) of this subsection.

(g) Reports.

(1) On or before November 1 of each year, the President, Chancellor, or equivalent position of each educational institution that participated in the Program during the immediately preceding school year shall report to the Vermont National Guard and VSAC regarding the number of members enrolled at its institution during that school year who received tuition benefits under the Program and, to the extent available, the courses or program in

which the members were enrolled.

(2) On or before January 15 of each year, the Vermont National Guard and VSAC shall report these data and other relevant performance factors, including information pertaining to the achievement of the goals of this entitlement program and the costs of the program to date, to the Governor, the House and Senate Committees on Education, and the House Committees on Appropriations and on General, Housing, and Military Affairs. The provisions of 2 V.S.A. § 20(d), expiration of reports, shall not apply to the reports to be made under this subsection.

#### Sec. E.215.2 REPEAL

(a) 16 V.S.A. § 2856 (educational assistance; interest free loans) is repealed on July 1, 2022.

#### Sec. E.215.3 TRANSITION

(a) The benefits under 16 V.S.A. § 2856, the Vermont National Guard Educational Assistance Program, shall only be available through December 31, 2018, except as provided in this subsection.

(1) A member who is, as of December 31, 2018, pursuing a graduate degree under that Program may continue to receive a loan under the Program through June 30, 2020, provided that the member continues to satisfy the eligibility requirements of 16 V.S.A. § 2857(c).

(b) A member of the Vermont National Guard who received a loan on or before January 1, 2019 under 16 V.S.A. § 2856 shall be entitled to the benefits under the Vermont National Guard Tuition Benefit Program if the member satisfies the eligibility criteria under that Program.

(c) The Vermont Student Assistance Corporation (VSAC), in consultation with the Office of the Adjutant and Inspector General, shall adopt guidelines for participants transitioning from the Vermont National Guard Educational Assistance Program under 16 V.S.A. § 2856 to the benefits under the Vermont National Guard Tuition Benefit Program.

(d) If, on or before July 1, 2022, a loan provided to a Vermont National Guard member under 16 V.S.A. § 2856 has gone into repayment pursuant to the terms of the loan, the member shall repay the loan in accordance with its terms unless and to the extent canceled or forgiven by the Corporation.

#### Sec. E.215.4 EXCESS COST; SERVICE REQUIREMENT

(a) If the cost to the State under the Vermont National Guard Tuition Benefit Program exceeds \$2,000,000 annually, then the General Assembly intends to amend 16 V.S.A. § 2857 to require, for each full academic year of attendance at the University of Vermont and State Agricultural College, three

years of service in the Vermont National Guard in order to receive the full tuition benefit under the Program.

Sec. E.219 Military – veterans’ affairs

(a) Of this appropriation, \$1,000 shall be used for continuation of the Vermont Medal Program; \$4,800 shall be used for the expenses of the Governor’s Veterans’ Advisory Council; \$7,500 shall be used for the Veterans’ Day parade; \$5,000 shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys’ State and Girls’ State programs.

(b) Of this General Fund appropriation, \$39,484 shall be deposited into the Armed Services Scholarship Fund established in 16 V.S.A. § 2541.

Sec. E.220 Center for crime victim services

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victim Services shall transfer \$43,923 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

Sec. E.224 Agriculture, food and markets – agricultural development

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$594,000 in general funds is appropriated for expenditure by the Vermont Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and service providers pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

Sec. E.233 ENERGY PLANNING SUPPORT; ALLOCATION OF COSTS

(a) During fiscal year 2019, the Commissioner of Public Service, in consultation with the Commissioner of Housing and Community Development, shall award the amount of \$300,000 to regional planning commissions established under 24 V.S.A. chapter 117 and to municipalities for the purpose of providing training under 2016 Acts and Resolves No. 174.

(b) In awarding funds under this section, the Commissioners shall consider the need and size of a municipality or region and the availability, if any, of other assistance, expertise, or funds to a municipality or region to implement 2016 Acts and Resolves No. 174.

(c) The Commissioner of Public Service shall allocate costs under subsection (a) of this section to the electric distribution utilities subject to its

supervision under Title 30 of the Vermont Statutes Annotated based on their pro rata share of total Vermont retail kilowatt-hour sales for the previous fiscal year. Each of these utilities shall pay its allocation into the State Treasury at such time and in such manner as the Commissioner may direct.

Sec. E.233.1 SUSTAINABLE FUNDING FOR THE PUBLIC UTILITY  
COMMISSION AND THE DEPARTMENT OF PUBLIC  
SERVICE; STUDY

(a) The Commissioner of Public Service, in consultation with the Public Utility Commission, shall study and make findings and recommendations regarding the gross operating revenue tax on public utilities imposed under 30 V.S.A. § 22, as well as the assessments imposed under 30 V.S.A. §§ 20 and 21. The purpose of the study is to determine whether the existing statutory mechanisms for financing utility regulation in Vermont are appropriate and, if not, how they might be improved to achieve a sustainable general gross receipts tax fund position and to better serve the public interest.

(1) With respect to the gross operating revenue tax, the Commissioner shall consider:

(A) the total amount collected by each category of companies described under 30 V.S.A. § 22;

(B) how that amount correlates with the regulatory activities of the Commission and the Department with respect to those companies;

(C) whether there is cross-subsidization of regulatory activities and, if so, to what extent;

(D) the gross operating revenue trends of companies subject to the tax and the factors influencing those trends;

(E) the projected fund balance in the General Gross Receipts Tax Fund;

(F) the allocation of funds between the Public Utility Commission and the Department of Public Service and whether the 40/60 percentage allocation is appropriate;

(G) whether adjustments should be made to the tax rates; and

(H) any other matters deemed relevant by the Commissioner.

(2) With respect to the assessments imposed under 30 V.S.A. §§ 20 and 21 (the bill-back provisions):

(A) whether there are persons involved in particular proceedings who are not subject to the assessment for State expenses incurred as a result of those proceedings;

(B) the amount of expenses incurred for which there is no applicable bill-back provision, resulting in expenses for additional personnel being reimbursed from the General Gross Receipts Tax Fund; and

(C) any other matters deemed relevant by the Commissioner.

(b) The Commissioner shall hold two regional public hearings seeking input with regard to the study and report required by this section, and shall present an interim status report on his or her findings and recommendations at the September 2018 meeting of the Joint Fiscal Committee.

(c) On or before November 15, 2018, after consultation with the Joint Fiscal Office, the Commissioner shall report his or her findings and recommendations to the Senate Committees on Finance and on Appropriations and the House Committees on Ways and Means and on Energy and Technology.

Sec. E.233.2 SHORT-TERM EMERGENCY FUNDING TO MAINTAIN  
CRITICAL WIRELESS E-911 SERVICE; STUDY

(a) It is the purpose of this section to provide the Commissioner of Public Service with discretionary authority to allocate short-term emergency funding to any provider who has a lease agreement with the State to operate a mobile wireless network comprising microcell equipment owned by the State. The funding authorized pursuant to this section is intended to support the health and safety needs of the general public by maintaining critical microcell wireless E-911 service in rural areas of the State that would otherwise be without such service, consistent with the objectives of prior State investments in microcell network infrastructure.

(b) Beginning in fiscal year 2018 and continuing until December 31, 2018, the Commissioner of Public Service is authorized to spend up to \$50,000 from the Connectivity Fund established under 30 V.S.A. § 7516 to support E-911 geolocation service charges incurred by any provider that has a lease agreement with the State to operate a mobile wireless network comprising microcell equipment owned by the State. Funds awarded pursuant to this subsection shall be on a reimbursement basis only, and shall be awarded only to providers who comply with or submit to the Commissioner of Public Service's written agreement to comply with subsection (d) of this section.

(c) Beginning on January 1, 2019 and continuing until June 30, 2019, the Commissioner of Public Service is authorized to spend up to an additional \$50,000 from the Connectivity Fund as specified in subsection (b) of this section, provided the Commissioner obtains the prior approval of the Joint Fiscal Committee.

(d) As a condition to the receipt of funds pursuant to this section and for

the purpose of ensuring that State-owned assets are sufficiently protected and used in a manner that serves the public interest, on or before September 1, 2018, in a form and manner specified by the Commissioner of Public Service, any provider that has a lease agreement with the State to operate a mobile wireless network comprising State-owned microcell equipment shall submit to the Department of Public Service a business plan. All financial information, trade secrets, or other information customarily regarded as confidential business information submitted to the Commissioner pursuant to this subsection shall be exempt from inspection and copying under the Public Records Act and shall not be released.

(e) On or before December 1, 2018, the Commissioner of Public Service shall submit a report to the Senate Committees on Finance and on Institutions and the House Committees on Energy and Technology and on Corrections and Institutions regarding E-911 compliant microcell service in Vermont. The report shall include findings and recommendations related to:

(1) the financial viability of operating and maintaining a microcell network in Vermont using existing 2G technology as well as 4G technology;

(2) whether changes to State regulatory policy are needed to facilitate the availability of wireless E-911 service in Vermont;

(3) whether the State should subsidize E-911 geolocation service charges incurred by microcell service providers on a permanent basis;

(4) the costs of completing a statewide propagation coverage analysis and whether such an analysis is needed to inform State policy, planning, and investment with respect to wireless service in Vermont;

(5) the estimated costs of providing microcell service in Vermont, including rates and charges related to electric, backhaul, and geolocation services, pole rental fees, backup-power requirements, colocation requirements, and any other costs deemed relevant by the Commissioner; and

(6) any other matters deemed relevant by the Commissioner.

#### Sec. E.234 E-911 SYSTEM; PUBLIC UTILITY COMMISSION; REPORT

(a) On or before September 1, 2018, the Public Utility Commission shall submit a memorandum to the Joint Fiscal Committee detailing its regulatory authority with respect to Vermont's Enhanced 911 network, with specific reference to the regulatory authority of both the E-911 Board and the Federal Communications Commission. The memorandum shall include the Commission's recommendations, if any, for ensuring comprehensive regulatory oversight and enforcement of matters pertaining to the E-911 network.



Sec. E.235 E-911 SYSTEM; RESILIENCY AND REDUNDANCY;  
REPORT

(a) On or before September 1, 2018, the Executive Director of the Enhanced 911 Board shall submit a report to the Joint Fiscal Committee detailing the level of resiliency and redundancy within the E-911 system and explaining any plans for ensuring operational integrity in the event of critical software or hardware failures. The report shall include, with explanation, identification of the locations and services deemed most vulnerable to system outages or call failures, as determined by the Board. The report also shall include a cost estimate for making any recommended system upgrades.

Sec. E.238 UNLAWFUL ALCOHOLIC BEVERAGE TRADE PRACTICES;  
REPORT

(a) On or before January 15, 2019, the Commissioner of Liquor Control shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs regarding the occurrence in Vermont of unfair trade practices at wholesale, including unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others. In particular, the report shall include:

(1) a description of the State and federal laws and regulations restricting:

(A) certain types of financial interests between wholesale and retail licensees;

(B) price discrimination between retail licensees by wholesale dealers and packagers; and

(C) the giving of free alcoholic beverages, monetary payments, or any other thing of value in order to induce or persuade a retail licensee to purchase or contract to purchase a certain brand or kind of alcoholic beverage to the exclusion of others, or to refrain from purchasing or contracting to purchase a certain brand or kind of alcoholic beverage;

(2) a description of the Department of Liquor Control's efforts to enforce the laws and regulations related to unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others, including:

(A) the number of complaints received by the Department;

(B) the number of investigations performed by the Department;

(C) the number of alleged violations prosecuted by the Department; and

(D) the result of any prosecutions carried out by the Department; and

(3) any suggestions for legislative action to strengthen or improve the enforcement of Vermont's laws restricting unlawful financial interests in retail licensees, price discrimination between retail licensees, and inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others.

Sec. E.238.1 DEPARTMENT OF LIQUOR CONTROL; UNFAIR TRADE PRACTICES; ANONYMOUS REPORTING

(a) On or before November 15, 2018, the Commissioner of Liquor Control shall develop and follow a protocol to allow licensees and members of the public to submit to the Department confidential and anonymous reports of unfair trade practices, including unlawful financial interests in retail or wholesale licensees, price discrimination between retail licensees, and the inducement of retail licensees to purchase or sell certain brands of alcoholic beverages to the exclusion of others.

(b) On or before January 15, 2019, the Commissioner shall report to the House Committees on Appropriations and on General, Housing, and Military Affairs and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs regarding how the Department receives reports of unfair trade practices and ensures confidentiality. The report shall also be included in the Department's presentation of its budget to the House and Senate Committees on Appropriations.

\* \* \* HUMAN SERVICES \* \* \*

Sec. E.300.1 DEPOSIT AND USE OF MASTER SETTLEMENT FUND

(a) Deposit of Master Tobacco Settlement receipts and appropriations of Tobacco Settlement funds in fiscal year 2019 are made, notwithstanding 2013 Acts and Resolves No. 50, Sec. D.104.

Sec. E.300.2 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

---

Sec. E.301 Secretary's office – Global Commitment

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.103 of this act for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$26,413,016 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$23,336,050 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount combined with \$27,163,950 of federal funds appropriated in Sec. B.301 of this act equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$3,076,966 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

Sec. E.301.1 Secretary's office – Global Commitment

(a) An amount up to \$16,800,000 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Section B.301 – Secretary's office – global commitment of this act.

Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER;  
REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2019, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2019 meeting. The purpose of

this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.306 ALTERNATIVE FORMS OF COST-SHARING ASSISTANCE;  
REPORT

(a)(1) The Secretary of Human Services, in consultation with the Green Mountain Care Board, the Office of the Health Care Advocate, and other interested stakeholders, shall research, analyze, and recommend alternatives to the cost-sharing assistance established in 33 V.S.A. § 1812 for eligible individuals enrolled in Exchange plans.

(2) The alternatives to be considered may include:

(A) creation of a fund to reimburse eligible individuals who experience high out-of-pocket health care costs;

(B) creation of an uncompensated care pool; and

(C) other strategies for reducing the out-of-pocket exposure of individuals and families with income between 200 and 300 percent of the federal poverty level who purchase silver-level qualified health benefit plans through the Vermont Health Benefit Exchange.

(b) On or before January 15, 2019, the Secretary of Human Services shall report its findings and recommendations for alternative forms of cost-sharing assistance to the House Committees on Health Care and on Appropriations and the Senate Committees on Health and Welfare, on Finance, and on Appropriations. The report shall also include the Secretary's recommendations for ways to assist individuals purchasing qualified health benefit plans during open enrollment periods in making informed choices.

Sec. E.306.1 FISCAL YEAR 2019 BUDGET ADJUSTMENT;  
REALLOCATION; RESEARCH STUDY ON EFFECTS OF  
INCREASED ACCESS TO ACUPUNCTURE CARE

(a) As part of its fiscal year 2019 budget adjustment proposal, the Agency of Human Services shall recommend the specific reallocation of funds remaining in the Evidence-Based Education and Advertising Fund in fiscal year 2019 in order to provide \$100,000 to the Department of Vermont Health Access to conduct the first year of a two-year research study into the effects of increased access to acupuncture care on utilization of and expenditures on other medical services for individuals enrolled in Medicaid and commercial health insurance in Vermont. The Agency shall manage the Fund during fiscal year 2019 in a manner consistent with this purpose.

(b) As part of its fiscal year 2019 budget adjustment proposal, the Agency of Human Services shall also report on the financial status of the Fund, including anticipated fiscal year 2020 revenue and the allocation of an additional \$100,000 for the second year of the study described in subsection (a) of this section.

#### Sec. E.306.2 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to state and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2019, but only in the event that new state or federal law or guidance require Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

#### Sec. E.307 PRIMARY CARE FUNDING

(a) Of the funds appropriated in Sec. B.307 of this act, \$2,166,000 shall be used to increase the amount of the per-member per-month payment through the Blueprint for Health to each patient-centered medical home in fiscal year 2019.

Sec. E.308 33 V.S.A. chapter 76 is added to read:

### CHAPTER 76. CHOICES FOR CARE

#### § 7601. DEFINITIONS

As used in this chapter:

(1) "Commissioner" means the Commissioner of Disabilities, Aging, and Independent Living.

(2) "Department" means the Department of Disabilities, Aging, and Independent Living.

(3) "Savings" means the difference remaining at the conclusion of each fiscal year between the amount of funds appropriated for Choices for Care and the sum of expended and obligated funds, less an amount equal to one percent of that fiscal year's total Choices for Care expenditure. The one percent shall function as a reserve to avoid implementing a High Needs wait list due to unplanned Choices for Care budget pressures throughout the fiscal year.

§ 7602. CALCULATING AND ALLOCATING SAVINGS

(a)(1) The Department shall calculate savings and investments in Choices for Care and report the amount of savings to the Joint Fiscal Committee and the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare by September 15 of each year. The Department shall not reduce the base funding needed in a subsequent fiscal year prior to calculating savings for the current fiscal year.

(2) After reporting the savings in accordance with subdivision (1) of this subsection, the Commissioner shall determine how to allocate available Choices for Care program savings in accordance with this section.

(b) Savings shall be one-time investments or shall be used in ways that are sustainable into the future. Use of savings shall be based on the assessed needs of Vermonters as identified by the Department and its stakeholders. Priority for the use of any identified savings after the needs of all individuals meeting the terms and conditions of the waiver have been met shall be given to home- and community-based services. As used in this chapter, “home- and community-based services” includes all home-based services and Enhanced Residential Care.

(c) Savings may be used to:

(1) increase Choices for Care home- and community-based provider rates;

(2) increase Choices for Care self-directed service budgets;

(3) expand Choices for Care capacity to accommodate additional enrollees;

(4) expand Choices for Care home- and community-based service options;

(5) address Choices for Care quality improvement outcomes; and

(6) fund investments to serve older Vermonters and Vermonters with disabilities outside Choices for Care, understanding non-Medicaid services are not eligible for a federal match.

(d) Savings shall not be used to:

(1) increase nursing home rates already addressed pursuant to section 905 of this title; or

(2) pay for budget pressures related to the Collective Bargaining Agreement for independent direct support workers.

Sec. E.308.1 [DELETED]

Sec. E.312 Health – public health

(a) AIDS/HIV funding:

(1) In fiscal year 2019 and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives. The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2019, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2019, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2019. Grant reporting shall include outcomes and results.

#### Sec. E.312.1 IMPROVING OUTCOMES FOR PREGNANT WOMEN

(a) To improve outcomes for pregnant women the Commissioner of Health shall:

(1) Prioritize funding for tobacco cessation to address the rates of smoking among pregnant women by utilizing evidence-based best practices. Not less than \$50,000 of the funding for tobacco cessation and prevention activities in fiscal year 2019 shall be used to implement or expand evidence-based interventions intended to reduce tobacco use among pregnant women.

(2) Continue to implement an outreach plan developed in 2017 to Vermonters who are eligible but not enrolled in the Women, Infants and Children (WIC) program.

#### Sec. E.312.2 WOMEN, INFANTS AND CHILDREN (WIC) STAKEHOLDER SUMMIT AND REPORT

(a) The Department of Health shall convene a community stakeholder summit to discuss innovative methods of increasing WIC program enrollment in Vermont by November 1, 2018. The Department shall solicit input on methods of increasing WIC enrollment from current and former WIC participants, as well as WIC-eligible nonparticipants, and the Department for Children and Families through interviews and surveys. The Department shall present recommended actions to the Senate Committee on Health and Welfare and the House Committee on Human Services on or before April 1, 2019.

#### Sec. E.314 DESIGNATED AGENCY STAFF RETENTION

(a) To address the compensation gap between the designated agency system and other providers in the health care delivery system the funds appropriated in this section are to enable the Department of Mental Health to increase payments to the Designated Agencies in fiscal year 2019 in a manner to work toward this goal.

(b) Of the funds appropriated in Sec. B.314 of this act, \$4,328,689 shall be used to provide increased payments to the Mental Health Designated Agencies in fiscal year 2019. The Department may allocate up to 20 percent of these



funds to be used to address the compensation gap through value-based incentive payments focusing on quality and outcomes. The remaining funds shall be allocated to the base rates for providers. Of these funds, up to 50 percent may be targeted for direct services that are provided by master's level clinicians and other staff with high levels of credentials and experience to reduce the compensation gap for this staff. These targeted funds shall be used to increase recruitment and retention of these levels of professional staff. The Designated Agencies shall assist the Department by providing baseline data.

(c) The Department shall report to the Joint Fiscal Committee in September 2018 on the implementation of this section.

(d) Representatives of the Designated Agencies shall report to the Joint Fiscal Committee in September 2018 on the impacts of these resources on recruitment and retention of master's level clinicians and other staff with high levels of credentials and experience.

#### Sec. E.316 ECONOMIC SERVICES DIVISION; INNOVATION IN DELIVERY OF SERVICES

(a) For the purpose of exploring innovative approaches to the administration of programs within the Department for Children and Families' Economic Services Division, the Commissioner may authorize pilot programs within specific regions of the State that waive Division rules adopted pursuant to 3 V.S.A. chapter 25 in a manner that does not impact program eligibility or benefits. Temporarily waiving some existing rules for a prescribed period of time shall enable the Division to test innovative ideas for improving the delivery of services with the specific goal of achieving more responsive client services and operational efficiencies.

(b) During fiscal year 2019, the Division may propose pilot programs in accordance with the goals described in subsection (a) of this section to the Commissioner for approval. Each proposal shall outline the targeted service area, efficiencies sought, rules to be waived, duration of the program, and evaluation criteria. Notice shall be given to clients affected by a pilot program and to the Chairs of the House Committee on Human Services and the Senate Committee on Health and Welfare prior to the commencement of the pilot program, including a description of how benefit delivery will be affected, length of the program, and right to a fair hearing.

(c) On or before January 15, 2019, the Commissioner shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare summarizing the pilot programs implemented pursuant to this section and any findings and recommendations. In the event a particular pilot program is successful at improving the delivery of services to clients, the Commissioner may seek to amend the Division's rules in conformity with the

approach used by the pilot program pursuant to 3 V.S.A. chapter 25.

Sec. E.316.1 3 V.S.A. § 1101 is amended to read:

§ 1101. OBLIGATION OF STATE TO DEFEND EMPLOYEES;  
DEFINITION

\* \* \*

(b) As used in this chapter, “State employee” includes any elective or appointive officer or employee within the Legislative, Executive, or Judicial Branch of State Government or any former such employee or officer. The term includes:

\* \* \*

(10) administrative reviewers whose services are contracted by the State pursuant to 33 V.S.A. § 4916a(f).

Sec. E.317 PARENT CHILD CENTER NETWORK; EVALUATION OF  
MASTER GRANT

(a) The Agency of Human Services, in consultation with the parent child center network, shall calculate the true value of the services delivered through the network’s master grant. The Agency shall present these findings as part of its fiscal year 2020 budget presentation.

Sec. E.318 EARLY CARE AND CHILD DEVELOPMENT PROGRAM  
GRANT

(a) In fiscal year 2019 and thereafter, the Department for Children and Families shall award 70 percent of funds designated for the Early Care and Child Development Program Grants to center-based child care and preschool programs participating in the Step Ahead Recognition System (STARS) and 30 percent of the designated funds to family child care homes participating in STARS in accordance with the formula described in subsection (b) of this section.

(b) The Department’s Child Development Division shall calculate eligibility for Early Care and Child Development Program Grants on a quarterly basis. In determining eligibility, the Division shall consider:

(1) the percent of enrollees receiving a Child Care Financial Assistance Program (CCFAP) subsidy as compared to a center-based child care and preschool program or a family child care home’s licensed capacity at a weight of 70 percent;

(2) the average number of enrollees at a center-based child care and preschool program or family child care home receiving a CCFAP subsidy at a weight of 15 percent; and

(3) the average number of infants and toddlers enrolled in a center-based child care and preschool program or family child care home at a weight of 15 percent.

(c) The Division shall provide Early Care and Child Development Program Grants to eligible child care and preschool programs or family child care homes as funds allow. Center-based child care and preschool programs or family child care homes receiving Early Care and Child Development Program Grants shall remain in compliance with the Department's rules, continue to participate in STARS, and maintain high enrollment of children receiving a CCFAP subsidy.

#### Sec. E.318.1 CHILD CARE FINANCIAL ASSISTANCE PROGRAM ADJUSTMENTS

(a) Of the funds appropriated in Sec. B.318 of this act, \$738,511 is allocated consistent with provisions related to the Child Care Financial Assistance Program in any legislation enacted in 2018 pertaining to Vermont's minimum wage, to allow the Commissioner for Children and Families to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with the increase in minimum wage to \$10.50 as of July 1, 2018 and to \$11.10 as of January 1, 2019, to ensure that the benefit percentage at each new minimum wage level remains the same as the percentage applied under the former minimum wage; and

(2) adjust the market rate used to inform the fee scale in a manner that offsets the estimated increased cost of child care in Vermont resulting from the increase in minimum wage to \$10.50 as of July 1, 2018 and to \$11.10 as of January 1, 2019.

(b) In November 2018 and each year thereafter until 2021, the Department shall report to the Joint Fiscal Committee regarding the projected cost to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with a statutorily required increase in the minimum wage for January 1, 2020 and for each year thereafter until 2023 that ensures that the benefit percentage at a new minimum wage level remains the same as the percentage applied under the former minimum wage; and

(2) adjust the market rate used to inform the fee scale in a manner that offsets the estimated increased cost of child care in Vermont resulting from a statutorily required increase in the minimum wage for January 1, 2020 and for each year thereafter until 2023.

## Sec E.318.2 CHILD CARE FUNDING ALLOCATIONS

(a) Of the funds appropriated in Sec. B.318 of this act:

(1) \$247,388 may be used to fill licensing staff positions; and

(2) a minimum of \$2,451,000 shall be used to increase the infant and toddler rate used in the Child Care Financial Assistance Program. In the event there is no statutorily required increase in the minimum wage on January 1, 2019, the funds allocated in Sec. E.318.1(a) of this act shall also be used to increase the infant and toddler rate.

Sec. E.318.3 CHILD CARE AND PREKINDERGARTEN CAPACITY  
BASELINE REPORT

(a) In order to better understand the relationship between the pre-kindergarten system and the impact on child care and early education facilities not operated by public school districts, the Joint Fiscal Office shall research and assemble the following for each of the last five years:

(1) The demographic information of Vermont children zero to five years of age, by town, county, or region and to the extent possible by family household income.

(2) Array by town, county, or region the known capacity or “slots” at licensed child care facilities, registered child care providers, and pre-kindergarten programs operated by school districts for each age group between zero and five years of age.

(3) To the extent possible, an analysis of the age composition of enrolled children at licensed providers who have ceased doing business in each of the last five years.

(b) The Joint Fiscal Office shall have the assistance and cooperation of the Department for Children and Families as well the Agency of Education and shall report to the Senate and House Committees on Appropriations and on Education not later than November 15, 2018.

## Sec. E.321 GENERAL ASSISTANCE HOUSING

(a) Funds appropriated to the Agency of Human Services in the General Assistance program in fiscal year 2019 may be used for temporary housing in catastrophic situations and for vulnerable populations, as defined in rules adopted by the Agency. The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS; FLEXIBILITY PROGRAM; COMMUNITY-BASED ALTERNATIVES TO GENERAL ASSISTANCE TEMPORARY HOUSING

(a) For fiscal year 2019, the Agency of Human Services may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Agency may award grants to homeless and housing service providers for eligible activities. Where such housing assistance programs and grants are provided and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued when the appropriation has been fully spent.

(b) The housing assistance and community-based programs may operate in up to 12 districts designated by the Secretary of Human Services. The Agency shall establish goals and procedures for evaluating the program overall, including performance measures that demonstrate program results, and for each district in which the Agency operates the program, it shall establish procedures for evaluating the district program and its effects.

(c) The Agency shall continue to engage interested parties, including both statewide organizations and local agencies, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General Assistance temporary housing.

Sec. E.323 2016 Acts and Resolves No. 172, Sec. E.100.9 is amended to read:

Sec. E.100.9 REPORTING UNFUNDED BUDGET PRESSURES

(a) In an effort to better understand the current services obligations, as part of the budget report required under 32 V.S.A. § 306(a)(1), the Governor shall include an itemization of current services liabilities, including the total obligations and the amount estimated for full funding in the current year in which an amortization schedule exists. These shall include the following liabilities projected for the start of the budget fiscal year:

\* \* \*

(4) Reach Up funding full benefit obligations, including the standard of need for the current fiscal year, prior to any rateable reductions made pursuant to 33 V.S.A. § 1103(a) which ensure that the expenditures for the programs shall not exceed appropriations;

\* \* \*

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 33 V.S.A. § 2602b is added to read:

§ 2602b. LIHEAP AND WEATHERIZATION

Notwithstanding section 2501 of this title, the Secretary of Human Services may transfer up to 15 percent of each federal fiscal year's Low Income Home Energy Assistance Program (LIHEAP) block grant to the Home Weatherization Assistance Program to be used for weatherization projects and program administration allowable under LIHEAP in the same State fiscal year. At the same time, an equivalent transfer shall be made to the Low Income Home Energy Assistance Program from the Home Weatherization Assistance Fund to provide home heating fuel benefits and program administration in the same State fiscal year.

Sec. E.325 Department for children and families – office of economic opportunity

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$1,092,000 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Grant decisions shall be made with assistance from the Vermont Coalition to End Homelessness.

Sec. E.325.1 33 V.S.A. § 1123 is amended to read:

§ 1123. INDIVIDUAL DEVELOPMENT SAVINGS PROGRAM

(a) As used in this section:

\* \* \*

(6) “Eligible uses” means education, training that leads to employment, the purchase or improvement of a home, the purchase or repair of a vehicle necessary to participate in an employment-related activity, or participation in or development of an entrepreneurial activity.

\* \* \*

Sec. E.326 Department for children and families – OEO – weatherization assistance

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.329 ADULT DAY CERTIFICATION

(a) Certification of new adult day providers seeking to be Medicaid funded shall require a demonstration that the new program is filling an unmet need for adult day services in a given geographic region, and does not have an adverse impact on existing adult day services. In the process of approval for certifying any new adult day program, the Department of Disabilities, Aging, and Independent Living shall consider review and comment from the Vermont Association of Adult Day Services as to whether the new program:

- (1) meets adult day standards;
- (2) fills an unmet service need in that geographic area; and
- (3) does not have an adverse impact on existing adult day services.

Sec. E.330 PARTICIPANT DIRECTED ATTENDANT CARE (PDAC)  
PROGRAM

(a) The Department of Disabilities, Aging, and Independent Living shall continue to operate the participant directed attendant care program and shall not reduce an enrolled individual’s level of services in fiscal year 2019. The Agency of Human Services shall ensure that adequate funding is available to the Department for the operation of this program for fiscal year 2019 and shall report to the Joint Fiscal Committee in November 2018 any necessary funding transfers from within the Agency needed to meet this requirement.

(b) The Department shall make a determination regarding the clinical and financial eligibility of each currently enrolled individual for the Medicaid Choices for Care program or any other program that could provide the necessary attendant care services. The Department shall report to the Joint Fiscal Committee in September 2018 on the status of these determinations.

## Sec. E.335 CORRECTIONS APPROPRIATIONS; TRANSFER; REPORT

(a) In fiscal year 2019, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services and for correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

## Sec. E.338 Corrections - correctional services

(a) The special funds appropriation of \$146,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

## Sec. E.338.1 [DELETED]

## Sec. E.343 [DELETED]

## Sec. E.344 Retired senior volunteer program

(a) Funds appropriated pursuant to Sec. B.344 of this act shall be administered by the Agency of Human Services and distributed by SerVermont to each local program to be used to match the Corporation for National and Community Service's approved expenditures.

## Sec. E.345 Green mountain care board

(a) The Green Mountain Care Board shall use the Global Commitment Funds appropriated in this section to encourage the formation and maintenance of public-private partnerships in health care, including initiatives to support and improve the health care delivery system.

\* \* \* LABOR \* \* \*

## Sec. E.400 2018 Acts and Resolves No. 189, Sec. 22 is amended to read:

Sec. 22. ~~EFFECTIVE DATE~~ DATES

This act shall take effect July 1, 2018, except that Sec. 13 (FY 2018 appropriation for Vermont Returnship Program) shall take effect upon passage.

\* \* \* K-12 EDUCATION \* \* \*

## Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in this section shall be used for physician claims for determining medical necessity of Individualized Education Program (IEPs). It is the goal of these services to increase the access of quality health care to uninsured persons, underinsured persons, and Medicaid beneficiaries.



---

Sec. E.500.1 UNIFORM CHART OF ACCOUNTS

(a) Not later than July 1, 2020, all Vermont supervisory unions, supervisory districts, school districts, and independent tech center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

(b) The Agency shall work with participating supervisory unions to:

(1) conform to a uniform chart of accounts as outlined in 2014 Acts and Resolves No. 179, Secs. E.500.1-E.500.3 as amended by 2015 Acts and Resolves No. 58, Sec. E.500.1;

(2) improve the comparability, consistency, and timeliness of school financial data;

(3) enhance the abilities of the General Assembly, Agency of Education, supervisory unions, and supervisory districts to better understand and manage cost centers and related school expenditures; and

(4) categorize expenditures in a way that draws a distinction between direct educational expenses and expenses that are primarily human or social services expenses.

(c) Notwithstanding subsection (a) of this section, supervisory unions with districts that are merging into a new governance structure as of July 1, 2018 and that have executed a contract on or before May 1, 2018 to acquire a new school finance and financial data system other than the management system selected by the Agency of Education to serve the merged system may delay adoption of the system selected by the Agency until July 1, 2021.

(d) Notwithstanding subsection (a) of this section, a supervisory union or a supervisory district that entered into a contract for a school finance and financial data management system on or after July 1, 2017, may delay adoption of the system selected by the Agency until July 1, 2021 or upon expiration of the current contract, whichever is earlier.

Sec. E.500.2 16 V.S.A. § 242(4) is amended to read:

(4)(A) Provide data and information required by the Secretary- and by using a format approved by the Secretary to:

(i) Report budgetary data for the subsequent school year and fiscal year.

~~(B)(ii)~~ Report all financial operations within the supervisory union to the Secretary and State Board for the preceding school year on or before August 15 of each year, ~~using a format approved by the Secretary.~~

~~(C)~~(iii) Report all financial operations for each member school district to the Secretary and State Board for the preceding school year on or before August 15 of each year, ~~using a format approved by the Secretary.~~

~~(D)~~(B) Prepare for each district an itemized report detailing the portion of the proposed supervisory union budget for which the district would be assessed for the subsequent school year identifying the component costs by category and explaining the method by which the district's share for each cost was calculated; and provide the report to each district at least 14 days before a budget, including the supervisory union assessment, is voted on by the electorate of the district.

#### Sec. E.500.3 INTERSTATE SCHOOL DISTRICT

(a) The General Assembly supports the study by the board of the Stamford school district of the formation of an interstate school district that would combine the Stamford school district with the Clarksburg, Massachusetts school district. On or before December 15, 2018, the board of the Stamford school district shall report its findings and recommendations to the General Assembly.

#### Sec. E.500.4 EDUCATOR LICENSURE REQUIREMENTS

(a) The Vermont Standards Board for Professional Educators shall consider whether the educator licensure and endorsement requirements are appropriate or should be updated. As part of its review, the Board shall consider whether the use by a school of a school-based teacher quality and performance measurement program approved by the New England Association of Schools and Colleges, or examinations offered by the Smarter Balanced Assessment Consortium, should be used as criteria to qualify for licensure and endorsement. On or before December 1, 2018, the Board shall report its findings and recommendations to the House and Senate Committees on Education.

(b) As part of its review under subsection (a) of this section, the Vermont Standards Board for Professional Educators shall consider whether the educator licensure and endorsement requirements for teachers in career technical education centers are appropriate or should be updated. After the House and Senate Committees on Education have concluded their consideration of the report of the Vermont Standards Board for Professional Educators under subsection (a) of this section, the Vermont Standards Board for Professional Educators and the State Board of Education shall either update their educator licensure and endorsement rules for teachers in career technical education centers or issue a report to the House and Senate Committees on Education that they do not intend to update these rules. Until the date upon which these updated rules are implemented or the report is issued, teachers

employed by career technical centers who were hired before April 1, 2018 and who do not have the licensure or endorsement that is required under applicable rules shall be exempt from these rules and any requirement to pursue licensure or endorsement under these rules.

(c) Notwithstanding subsection (b) of this section and any provision of law to the contrary, an employee in an approved area career technical center located in an approved independent school who was hired before April 1, 2018 and who did not have the licensure or endorsement that is required under applicable rules governing career technical centers shall be exempt from these rules. An employee hired on or after April 1, 2018 shall be subject to these rules, and an employee hired before April 1, 2018 who complied with these rules shall maintain his or her licensure and endorsements as required by these rules.

#### Sec. E.500.5 RESTORATIVE JUSTICE PRINCIPLES FOR RESPONDING TO SCHOOL DISCIPLINE PROBLEMS

(a) On or before July 1, 2019, the Agency of Education shall issue guidance to all public school boards and boards of approved independent schools that sets out restorative justice principles for responding to school discipline problems. Each public school board and each board of an approved independent school shall consider this guidance and whether to adopt a policy on the use of restorative justice principles for responding to school discipline problems. The restorative justice principles contained in the Agency guidance shall be designed to:

(1) decrease the use of exclusionary discipline;

(2) ensure that disciplinary measures are applied fairly and do not target students based on race, ethnicity, gender, family income level, sexual orientation, immigration status, or disability status; and

(3) provide students with the opportunity to make academic progress while suspended or expelled.

#### Sec. E.500.6 IMPLEMENTATION OF RESTORATIVE JUSTICE PRINCIPLES; GRANT PROGRAM

(a) The Agency of Education shall use funding under 16 V.S.A. § 2969(c) to assist public and approved independent schools with the adoption and implementation of restorative justice principles for responding to school discipline problems. The Agency shall determine the eligibility criteria for receiving a grant and determining the grant amount, and shall monitor the use of grant monies.

(b) On or before December 1, 2018, 2019, and 2020, the Secretary of Education shall submit a written report to the House Committees on Education and on Judiciary and the Senate Committees on Education and on Judiciary describing the eligibility criteria for receiving a grant and for determining the grant amount, identifying the grant recipients and the amounts they received in grant monies, and the use of grant monies by the recipients.

Sec. E.500.7 PREKINDERGARTEN EDUCATION; REPORT

(a) The Agency of Education, in consultation with the Agency of Human Services, shall commission an independent study to recommend how to more effectively and efficiently provide prekindergarten education that considers:

(1) whether the current delivery and funding models are working effectively to provide prekindergarten education services, and if not, the issues with the current models and recommendations to enhance the quality and effectiveness of these models;

(2) how Vermont families make early care and education arrangements for their children under six years of age, including what factors may constrain parental choices;

(3) how well the prekindergarten system is operating to provide prekindergarten education to all eligible Vermont children and how to provide equitable access to prekindergarten education for children from economically deprived backgrounds;

(4) how to identify ways that the prekindergarten education system may create undesirable outcomes for prekindergarten students, their parents or guardians, or providers of prekindergarten education services or child care services and steps to mitigate them; and

(5) how to simplify regulatory oversight and administration of prekindergarten education.

(b)(1) On or before March 15, 2019, the Agency of Education shall report on the status of the independent study to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare.

(2) On or before July 1, 2019, the Agency of Education shall report the results of the independent study to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare.

Sec. E.500.8 ELECTIONS; UNIFIED UNION SCHOOL DISTRICT

(a) Notwithstanding any provision of law to the contrary, the election of a director to the board of a unified union school district who is to serve on the

board after the expiration of the term for an initial director shall be held at the unified union school district's annual meeting unless otherwise provided in the district's articles of agreement.

(b) Notwithstanding any provision of law 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 of the unified union school district 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 at an annual or special meeting, unless otherwise provided in accordance with the unified union school district's articles of agreement.

(c) This section is repealed on July 1, 2020.

Sec. E.502 Education – special education: formula grants

(a) Of the appropriation authorized in this section, and notwithstanding any other provision of law, an amount not to exceed \$3,665,521 shall be used by the Agency of Education in fiscal year 2019 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 Education – state-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504.1 Education – flexible pathways

(a) Of this appropriation, \$3,916,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c). Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$740,000 is available for dual enrollment programs and the amount of \$36,000 is available for use pursuant to Sec. E.605.1(a)(2) of this act;

(2) \$100,000 is available to support the Vermont Virtual Learning Cooperative at the River Valley Technical Center School District;

(3) \$200,000 is available for secondary school reform grants; and

(4) \$450,000 is available for the Vermont Academy of Science and Technology and \$1,870,000 for Early College pursuant to 16 V.S.A. § 946.

## Sec. E.505 REIMBURSEMENT FOR NEWBURY SCHOOL DISTRICT

(a) Notwithstanding any other provision of law, in addition to the education payment due to the Newbury School District for fiscal year 2019, the Agency of Education shall pay \$44,471 from the Education Fund to the Newbury School District to compensate the district for a pre-K census error in fiscal years 2016 and 2017.

Sec. E.513 [DELETED]

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$105,640,777 of which \$99,940,777 shall be the State's contribution and \$5,700,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$8,081,768 is the "normal contribution," and \$97,559,009 is the "accrued liability contribution."

Sec. E.515 Retired teachers' health care and medical benefits

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$31,639,205 will be contributed to the Retired Teachers' Health and Medical Benefits Fund.

Sec. E.515.1 16 V.S.A. § 1942(p) is amended to read:

(p) The Board shall enter into insurance arrangements to provide health and medical benefits for retired members and their dependents. The State is legally responsible for the costs of the health and medical benefits provided in this chapter in the amounts specified in section 1944e of this chapter. The Board may enter into insurance arrangements to provide dental coverage for retired members and their dependents, provided the State or the System has no legal obligation to pay any portion of the dental benefit premiums.

Sec. E.515.2 16 V.S.A. § 1944d is amended to read:

§ 1944d. EMPLOYER ANNUAL CHARGE FOR TEACHER HEALTH CARE

(a) The Beginning on July 1, 2018, the employer of teachers who become members of the State Teachers' Retirement System of Vermont on or after July 1, 2015 shall pay an annual assessment for those teachers' health and medical benefits of \$1,275.00 for each such teacher to the Benefits Fund.

(b) The assessment shall be the value, Beginning on July 1, 2019, and each year thereafter, the annual assessment shall be adjusted to account for inflation, as approved annually by the Board of Trustees based on the actuary's

~~recommendation, of the portion of future retired teachers' health and medical benefits attributable to those teachers for each year of service in the State Teachers' Retirement System of Vermont. The equivalent number for the June 30, 2013 valuation is \$1,072.00.~~

Sec. E.515.3 EVALUATION OF EMPLOYER ANNUAL CHARGE FOR  
TEACHER HEALTH CARE; REPORT

(a) On or before January 15, 2023, the State Treasurer, in consultation with representatives from the Vermont-National Education Association and Vermont Association of School Business Officers, shall evaluate and prepare a report on the impact of repealing the employer annual charge for teacher health care.

(b) The State Treasurer shall submit the report described in subsection (a) of this section to the House and Senate Committees on Appropriations.

Sec. E.515.4 REPEAL OF EMPLOYER ANNUAL CHARGE FOR  
TEACHER HEALTH CARE

(a) The employer annual charge for teacher health care, established in 16 V.S.A. § 1944d, is repealed on July 1, 2023.

\* \* \* HIGHER EDUCATION \* \* \*

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

(c) If Global Commitment Fund monies are unavailable, the total grant funding for the University of Vermont shall be maintained through the General Fund or other State funding sources.

(d) The University of Vermont shall use the Global Commitment funds appropriated in this section to support Vermont physician training. The University of Vermont prepares students, both Vermonters and out-of-state, and awards approximately 100 medical degrees annually. Graduates of this program, currently representing a significant number of physicians practicing in Vermont, deliver high-quality health care services to Medicaid beneficiaries and to uninsured or underinsured persons, or both, in Vermont and across the nation.

## Sec. E.602 Vermont state colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay one-twelfth of this appropriation to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

## Sec. E.603 Vermont state colleges – allied health

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in this section to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons, or both.

## Sec. E.605 Vermont student assistance corporation

(a) Of this appropriation, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of this appropriation, not more than \$200,000 may be used by the Vermont Student Assistance Corporation for a student aspirational pilot initiative to serve one or more high schools.

(c) Of the appropriated amount remaining after accounting for subsections (a) and (b) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(d) Funds available to the Vermont Student Assistance Corporation pursuant to Sec. E.215(a) of this act shall be used for the purposes of 16 V.S.A. § 2856. Any unexpended funds from this allocation shall carry forward for this purpose.

## Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) The sum of \$72,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:



(1) \$36,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need-based stipend purposes).

(2) \$36,000 pursuant to Sec. E.504.1(a)(1) (flexible pathways funds appropriated for dual enrollment and need-based stipend purposes).

(b) The sums transferred to VSAC in this section shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(c) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2019.

\* \* \* NATURAL RESOURCES \* \* \*

Sec. E.700 VOLKSWAGEN LITIGATION; ENVIRONMENTAL  
MITIGATION TRUST FOR STATE BENEFICIARIES

(a) As used in this section:

(1) “Appendix D-2” means Appendix D-2 to the Environmental Mitigation Trust, entitled “Eligible Mitigation Actions and Mitigation Action Expenditures.”

(2) “Environmental Mitigation Trust” or “Trust” means the Environmental Mitigation Trust Agreement for State Beneficiaries filed on October 2, 2017 in In re: Volkswagen “Clean Diesel” Marketing, Sales Practices, and Products Liability Litigation, 3:16-CV-00295-CRB, MDL No. 2672 CRB (JSC) (N.D. Cal.).

(3) “Mobile source” means any vehicle, freight switcher, ferry, tug, vessel, or equipment that qualifies under an eligible mitigation action listed in Appendix D-2.

(b) The Secretary of Natural Resources shall administer Environmental Mitigation Trust monies pursuant to 10 V.S.A. § 554(15) and, in administering the Trust monies appropriated under Sec. B.710 of this act, shall:

(1) Dedicate at least 15 percent of those monies for the purchase of light duty electric supply equipment and associated allowable administrative costs in accordance with Appendix D-2.

(2) Dedicate the remainder of the monies to the replacement of mobile sources that consume fossil fuels with all-electric mobile sources or the repowering of mobile sources that consume fossil fuels with all-electric engines, or both, and associated allowable administrative costs. The expenditures shall be in accordance with the requirements of Appendix D-2.

Sec. E.700.1 [DELETED]

Sec. E.700.2 2017 Acts and Resolves No. 47, Sec. 2 is amended to read:

Sec. 2. COMMISSION ON ACT 250: THE NEXT 50 YEARS; REPORT

\* \* \*

(i) Reimbursement.

(A) For attendance at no more than ~~40~~ 14 Commission meetings during adjournment of the General Assembly, legislative members of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406.

(B) There shall be no reimbursement for attendance at subcommittee meetings or more than ~~40~~ 14 Commission meetings.

\* \* \*

\* \* \* COMMERCE AND COMMUNITY DEVELOPMENT \* \* \*

Sec. E.800 2018 Acts and Resolves No. 197, Sec. 24 is amended to read:

Sec. 24. ~~EFFECTIVE DATE~~ DATES

This act shall take effect July 1, 2018, except that Sec. 4 (FY 2018 appropriations for the New Remote Worker Grant Program, the ThinkVermont Innovation Initiative, and for economic development marketing) shall take effect upon passage.

Sec. E.802 Housing & community development

(a) Of the General Funds appropriated in Sec. B.802 of this act, the sum of \$100,000 of General Funds is intended to support planning and implementation of a community development program targeting outdoor recreation, in consultation with the Department of Forests, Parks and Recreation.

Sec. E.808 Vermont council on the arts

(a) The Vermont Council on the Arts shall pay its full lease charge as assessed by the Department of Buildings and General Services.

---

\* \* \* TRANSPORTATION \* \* \*

Sec. E.900 FISCAL YEAR 2019 TRANSPORTATION FUND  
CONTINGENT APPROPRIATION

(a) In the event contingent spending authority of transportation funds is increased to the statewide district leveling program or the maintenance program as provided and under the terms prescribed in Sec. 8 of H.917 of 2018, the appropriation of transportation funds in, respectively, Sec. B.903, Program Development, and Sec. B.905, Maintenance, of this act are increased in the same amount.

\* \* \* MISCELLANEOUS AND TECHNICAL CORRECTIONS \* \* \*

Sec. F.100 10 V.S.A. § 128 is amended to read:

§ 128. VERMONT CENTER FOR GEOGRAPHIC INFORMATION  
SPECIAL FUND

(a) A Special Fund is created for the operation of the Vermont Center for Geographic Information in the Agency of ~~Commerce and Community Development~~ Digital Services. The Fund shall consist of revenues derived from the charges by the Agency of ~~Commerce and Community Development~~ Digital Services pursuant to subsection (c) of this section for the provision of Geographic Information products and services, interest earned by the Fund, and sums which from time to time may be made available for the support of the Center and its operations. The Fund shall be established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Agency to support activities of the Center.

(b) The receipt and expenditure of monies from the Special Fund shall be under the supervision of the Secretary of ~~Commerce and Community Development~~ Digital Services.

(c) Notwithstanding 32 V.S.A. § 603, the Secretary of ~~Commerce and Community Development~~ Digital Services is authorized to impose charges reasonably related to the costs of the products and services of the Vermont Center for Geographic Information, including the cost of personnel, equipment, supplies, and intellectual property.

Sec. F.101 10 V.S.A. § 122 is amended to read:

§ 122. VERMONT CENTER FOR GEOGRAPHIC INFORMATION,  
INCORPORATED; ESTABLISHMENT

\* \* \*

(b) In order to develop and implement that strategy, and to ensure that all data gathered by State agencies that is relevant to the VGIS shall be in a form

that is compatible with, useful to, and shared with that geographic information system, there is hereby established as a division under the Agency of Commerce and Community Development Digital Services the Vermont Center for Geographic Information (the Center).

\* \* \* EFFECTIVE DATES Secs. A.100-G.100 \* \* \*

Sec. G.100 EFFECTIVE DATES

(a) This section and Secs. C.100 (fiscal year 2018 technical correction, VSAC), C.101 (fiscal year 2018 General Fund reversion repeal), C.102 (fiscal year 2018 Medicaid carry forward requirement), C.103 (fiscal year 2018 carry forward of fiscal year 2017 one-time appropriation), C.105-C.105.1 (fiscal year 2018 tobacco litigation settlement fund receipts, transfers, and appropriations), C.106 (fiscal year 2018 CHINS cases system strategic reform), C.106.1 (fiscal year 2018 substance use disorder, mental health workforce expansion), C.106.2 (fiscal year 2018 substance use disorder response initiatives), C.108 (fiscal year 2018 budget adjustment repeals), C.109 (fiscal year 2018 federal funds contingent appropriation), C.110 (fiscal year 2018 climate commission implementation), C.111-C.114 (fiscal year 2018 Agency of Education adjustments), C.115-C.118 (fiscal year 2018 teachers' retirement system and health care and medical benefits adjustments), C.119 (fiscal year 2018 fund transfers, reversions and reserves), C.1000 (fiscal year 2018 one-time transfers and reversions), D.102 (Tobacco Litigation Settlement Fund balance), E.126 (Legislative Branch workforce comparative evaluation), E.126.1 (Vermont justice system review), E.126.2 (Joint Information Technology Oversight Committee), E.127 (JFO review and evaluation of Corrections health care services), E.233.2 (short-term emergency funding to maintain critical wireless E-911 service), E.308 (Choices for Care), E.400 (effective date amendment to Vermont Returnship Program), and E.800 (effective date amendment to New Remote Worker Grant Program) shall take effect on passage, provided that if the date of passage of this act is after June 30, 2018, then notwithstanding 1 V.S.A. § 214, this section and all other sections listed in this subsection shall take effect on passage and shall apply retroactively to June 30, 2018.

(b) Notwithstanding 1 V.S.A. § 214, Sec. E.111.1 (Tax Computer System Modernization Fund) shall take effect on passage and apply retroactively to July 1, 2017.

(c) Secs E.215.1- E.215.4 of this act shall take effect on July 1, 2018 and the tuition benefits established under the Vermont National Guard Tuition Benefit Program shall be available to eligible Vermont National Guard members enrolled in institutions under the Program starting on or after January 1, 2019, provided that if the date of passage of this act is after

July 1, 2018, then notwithstanding 1 V.S.A. § 214, Secs E.215.1- E.215.4 shall take effect on passage and shall apply retroactively to July 1, 2018.

(d) All remaining A-G sections shall take effect on July 1, 2018, provided that if the date of passage of this act is after July 1, 2018, then notwithstanding 1 V.S.A. § 214, all remaining sections shall take effect on passage and shall apply retroactively to July 1, 2018.

\* \* \* Personal Income Tax Changes \* \* \*

\* \* \* Taxable Income \* \* \*

Sec. H.1 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

\* \* \*

(21) “Taxable income” means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

\* \* \*

(B) Decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

(i) income from U.S. government obligations;

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend income: either the first \$5,000.00 of such adjusted net capital gain income; or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income; ~~and~~

(iii) recapture of State and local income tax deductions not taken against Vermont income tax; and

(iv) the portion of federally taxable benefits received under the federal Social Security Act that is required to be excluded under section 5830e of this chapter; and

(C) Decreased by the following exemptions and deductions:

(i) the amount of personal exemptions taken at the federal level a personal exemption of \$4,150.00 per person for the taxpayer, for the spouse or the deceased spouse of the taxpayer whose filing status under section 5822 of this chapter is married filing a joint return or surviving spouse, and for each individual qualifying as a dependent of the taxpayer under 26 U.S.C. § 152, provided that no exemption may be claimed for an individual who is a dependent of another taxpayer;

(ii) for taxpayers who do not itemize at the federal level, the amount of the a standard deduction taken at the federal level determined as follows:

(I) for taxpayers whose filing status under section 5822 of this chapter is unmarried (other than surviving spouses or heads of households) or married filing separate returns, \$6,000.00;

(II) for taxpayers whose filing status under section 5822 of this chapter is head of household, \$9,000.00;

(III) for taxpayers whose filing status under section 5822 of this chapter is married filing joint return or surviving spouse, \$12,000.00; and

(iii) for taxpayers who itemize at the federal level:

(I) the amount of federally itemized deductions for medical and dental expenses and charitable contributions;

(II) the total amount of federally itemized deductions, other than deductions for State and local income taxes, medical and dental expenses, and charitable contributions, deducted from federal adjusted gross income for the taxable year, but in no event shall the amount under this subdivision exceed two and one-half times the federal standard deduction allowable to the taxpayer; and

(III) in no event shall the total amount of deductions allowed under subdivisions (I) and (II) of this subdivision (21)(C)(iii) reduce the total amount of itemized deductions below the federal standard deduction allowable to the taxpayer an additional deduction of \$1,000.00 for each federal deduction under 26 U.S.C. § 63(f) that the taxpayer qualified for and received; and

(iv) the dollar amounts of the personal exemption allowed under subdivision (i) of this subdivision (21)(C), the standard deduction allowed under subdivision (ii) of this subdivision (21)(C), and the additional deduction allowed under subdivision (iii) of this subdivision (21)(C) shall be adjusted annually for inflation by the Commissioner of Taxes beginning with taxable year 2018 by using the Consumer Price Index and the same methodology as used for adjustments under 26 U.S.C. § 1(f)(3); provided, however, that as

used in this subdivision, “consumer price index” means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

\* \* \*

\* \* \* Personal Income Tax Rates \* \* \*

Sec. H.2 PERSONAL INCOME TAX RATES

(a) 2009 Spec. Sess. Acts and Resolves No. 2, Sec. 20 is repealed.

(b) For taxable year 2018 and after, income tax rates under 32 V.S.A. § 5822(a)(1)-(5), after taking into consideration any inflation adjustments to taxable income as required by 32 V.S.A. § 5822(b)(2), shall be as follows:

(1) taxable income that without the passage of this act would have been subject to a rate of 3.55 percent shall be taxed at the rate of 3.35 percent instead;

(2) taxable income that without the passage of this act would have been subject to a rate of 6.80 percent shall be taxed at the rate of 6.60 percent instead;

(3) taxable income that without the passage of this act would have been subject to a rate of 7.80 percent shall be taxed at the rate of 7.60 percent instead;

(4) taxable income that without the passage of this act would have been subject to a rate of 8.80 percent or 8.95 percent shall be taxed at the rate of 8.75 percent instead; the tax brackets for taxable income taxed at 8.80 percent and 8.95 percent in taxable year 2017 shall be combined to be taxed at a rate of 8.75 percent for taxable year 2018 and after.

(c) When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall revise the tables in 32 V.S.A. § 5822(a)(1)-(5) to reflect the changes to the tax rates and tax brackets made in this section.

\* \* \* Charitable Credit; Earned Income Tax Credit; Social Security Income;  
Other Adjustments \* \* \*

Sec. H.3 32 V.S.A. § 5822 is amended to read:

§ 5822. TAX ON INCOME OF INDIVIDUALS, ESTATES, AND TRUSTS

(a) A tax is imposed for each taxable year upon the taxable income earned or received in that year by every individual, estate, and trust, subject to income taxation under the laws of the United States, in an amount determined by the following tables, and adjusted as required under this section:

\* \* \*

(b) As used in this section:

(1) “Married individuals,” “surviving spouse,” “head of household,” “unmarried individual,” “estate,” and “trust” have the same meaning as under the Internal Revenue Code.

(2) The amounts of taxable income shown in the tables in this section shall be adjusted annually for inflation by the Commissioner of Taxes, using the Consumer Price Index adjustment percentage, in the manner prescribed for inflation adjustment of federal income tax tables for the taxable year by the Commissioner of Internal Revenue, beginning with taxable year 2003; provided, however, notwithstanding 26 U.S.C. § 1(f)(3), that as used in this subdivision, “consumer price index” means the last Consumer Price Index for All Urban Consumers published by the U.S. Department of Labor.

\* \* \*

(d)(1) A taxpayer shall be entitled to a credit against the tax imposed under this section of 24 percent of each of the credits allowed against the taxpayer’s federal income tax for the taxable year as follows: credit for people who are elderly or permanently totally disabled, investment tax credit attributable to the Vermont-property portion of the investment, and child care and dependent care credits.

\* \* \*

(3) Individuals shall receive a nonrefundable charitable contribution credit against the tax imposed under this section for the taxable year. The credit shall be five percent of the first \$20,000.00 in charitable contributions made during the taxable year that are allowable under 26 U.S.C. § 170. This credit shall be available irrespective of a taxpayer’s election not to itemize at the federal level.

\* \* \*

Sec. H.4 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be ~~32~~ 36 percent of the earned income tax credit granted to the individual under the laws of the United States, multiplied by the percentage ~~which~~ that the individual’s earned income that is earned or received during the period of the individual’s residency in this State bears to the individual’s total earned income.



Sec. H.5 32 V.S.A. § 5830e is added to read:

§ 5830e. SOCIAL SECURITY INCOME

The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or qualifying widow or widower:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$45,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$45,000.00 but less than \$55,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$45,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$55,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$55,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

(2) For taxpayers whose filing status is married filing jointly:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to \$60,000.00, all federally taxable benefits received under the Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than \$60,000.00 but less than \$70,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over \$60,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from \$70,000.00;

(ii) dividing the value under subdivision (i) of this subdivision (B) by \$10,000.00; and

(iii) multiplying the value under subdivision (ii) of this subdivision (B) by the federally taxable benefits received under the Social Security Act.

(C) If the federal adjusted gross income of the taxpayer is equal to or greater than \$70,000.00, no amount of the federally taxable benefits received under the Social Security Act shall be excluded under this section.

Sec. H.6 32 V.S.A. § 5813 is amended to read:

§ 5813. STATUTORY PURPOSES

\* \* \*

(w) The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits.

(x) The statutory purpose of the charitable contribution credit in subdivision 5822(d)(3) of this title is to reduce the tax liability for Vermonters who contribute to charitable causes.

Sec. H.7 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect ~~for taxable year 2016~~ on December 31, 2017, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

\* \* \* Allocation of Education Funds \* \* \*

Sec. H.8 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

(1) ~~All~~ all revenue paid to the State from the statewide education tax on nonresidential and homestead property under 32 V.S.A. chapter 135;

(2) ~~For each fiscal year, the amount of the general funds appropriated and transferred to the Education Fund shall be \$305,900,000.00, to be increased annually beginning for fiscal year 2018 by the consensus Joint Fiscal Office and Administration determination of the National Income and Product Accounts (NIPA) Implicit Price Deflator for State and Local Government~~

~~Consumption Expenditures and Gross Investment as reported by the U.S. Department of Commerce, Bureau of Economic Analysis through the fiscal year for which the payment is being determined, plus an additional one-tenth of one percent. [Repealed.]~~

(3) ~~Revenues~~ revenues from State lotteries under 31 V.S.A. chapter 14, and from any multijurisdictional lottery game authorized under that chapter;

(4) 25 percent of the revenues from the meals and rooms taxes imposed under 32 V.S.A. chapter 225;

(5) ~~One-third~~ one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219, notwithstanding 19 V.S.A. § 11(1);

(6) ~~Thirty-six percent of the~~ revenues raised from the sales and use tax imposed by 32 V.S.A. chapter 233; and

(7) Medicaid reimbursement funds pursuant to subsection 2959a(f) of this title.

(b) Monies in the Education Fund shall be used for the following:

(1) To make payments to school districts and supervisory unions for the support of education in accordance with the provisions of section 4028 of this title, other provisions of this chapter, ~~and the provisions of 32 V.S.A. chapter 135, to make payments to carry out programs of adult education in accordance with section 945 of this title, and to provide funding for the community high school of Vermont and the Flexible Pathways Initiative established by section 941 of this title, but excluding adult education and literacy programs under section 945 of this title.~~

\* \* \*

(3) To make payments required under 32 V.S.A. § 6066(a)(1) ~~and (2)~~ and only that portion attributable to education taxes, as determined by the Commissioner of Taxes, of payments required under 32 V.S.A. § 6066(a)(3) and ~~6066(b)~~. The State Treasurer shall withdraw funds from the Education Fund upon warrants issued by the Commissioner of Finance and Management based on information supplied by the Commissioner of Taxes. The Commissioner of Finance and Management may draw warrants for disbursements from the Fund in anticipation of receipts. All balances in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund. Interest accruing from the Fund shall remain in the Fund.

\* \* \*

(c) ~~An equalization and reappraisal account is established within the Education Fund. Monies from this account are to be used by the Division of Property Valuation and Review to assist towns with maintenance or reappraisal~~

~~on a case-by-case basis; and for reappraisal and grand list maintenance assistance payments pursuant to 32 V.S.A. §§ 4041a and 5405(f). [Repealed.]~~

\* \* \*

Sec. H.9 32 V.S.A. § 435(b) is amended to read:

(b) The General Fund shall be composed of revenues from the following sources:

\* \* \*

(7) ~~Meals~~ 75 percent of the meals and rooms taxes levied pursuant to chapter 225 of this title;

\* \* \*

(11) ~~64 percent of the revenue from sales and use taxes levied pursuant to chapter 233 of this title; [Repealed.]~~

\* \* \*

Sec. H.9a REPORT

(a) On or before January 1, 2024, the Joint Fiscal Office shall report to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance on the impact of the changes in Secs. H.8 and H.9 of this act reallocating the revenues generated for the General Fund and Education Fund.

\* \* \* Yield and Nonresidential Rate for Fiscal Year 2019 \* \* \*

Sec. H.10 PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONRESIDENTIAL RATE FOR FISCAL YEAR 2019

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the property dollar equivalent yield shall be \$10,220.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2019 only, the income dollar equivalent yield shall be \$12,380.00.

(c) Notwithstanding any other provision of law, the nonresidential rate for fiscal year 2019 shall be \$1.58 per \$100.00 of equalized education property value under 32 V.S.A. § 5402(a)(1).

---

\* \* \* Property Tax Adjustments \* \* \*

Sec. H.11 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF ADJUSTMENT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

(1)(A) For a claimant with household income of \$90,000.00 or more:

(i) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year;

(ii) minus (if less) the sum of:

(I) the income percentage of household income for the taxable year; plus

(II) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$250,000.00~~ \$225,000.00.

(B) For a claimant with household income of less than \$90,000.00 but more than \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:

(i) the income percentage of household income for the taxable year; plus

(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$500,000.00~~ \$400,000.00.

(C) For a claimant whose household income does not exceed \$47,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:

(i) the sum of the income percentage of household income for the taxable year plus the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year in excess of ~~\$500,000.00~~ \$400,000.00; or

(ii) the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year reduced by \$15,000.00.

\* \* \*

Sec. H.12 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF ADJUSTMENT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to an adjustment amount determined as follows:

\* \* \*

(3) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional adjustment amount from the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year which that began in the taxable year upon the claimant's housesite, reduced by the adjustment amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
\$0.00 - 9,999.00	2.0                    1.50
<del>\$10,000.00 - 24,999.00</del>	4.5
<del>\$25,000.00 - 47,000.00</del>	5.0
<u>\$10,000.00 - 47,000.00</u>	3.00

(4) A claimant whose household income does not exceed \$47,000.00 shall also be entitled to an additional adjustment amount from the claimant's statewide education tax for the upcoming fiscal year that is equal to the amount by which the education property tax for the municipal fiscal year that began in the taxable year upon the claimant's housesite, reduced by the adjustment amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

<u>If household income (rounded to the nearest dollar) is:</u>	<u>then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:</u>
<u>\$0.00 - 9,999.00</u>	<u>0.5</u>
<u>\$10,000.00 - 24,999.00</u>	<u>1.5</u>
<u>\$25,000.00 - 47,000.00</u>	<u>2.0</u>

(5) In no event shall the credit provided for in subdivision (3) or (4) of this subsection exceed the amount of the reduced property tax. The adjustments under subdivisions (3) and (4) of this subsection shall be calculated considering only the tax due on the first \$400,000.00 in equalized housesite value.

\* \* \*

Sec. H.13 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a benefit under this chapter. An individual who received a homestead exemption or adjustment with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive an adjustment under this chapter. No taxpayer shall receive an adjustment under subsection 6066(b) of this title in excess of \$3,000.00. No taxpayer shall receive ~~total adjustments under this chapter in excess of \$8,000.00 related to any one property tax year~~ an adjustment under subdivision 6066(a)(3) of this title greater than \$2,400.00 or cumulative adjustment under subdivisions 6066(a)(1)-(2) and (4) of this title greater than \$5,600.00.

\* \* \* Statewide Education Property Tax Bills \* \* \*

Sec. H.14 32 V.S.A. § 5402(b) is amended to read:

(b) The statewide education tax shall be calculated as follows:

\* \* \*

(2) Taxes assessed under this section shall be assessed and collected in the same manner as taxes assessed under chapter 133 of this title with no tax classification other than as homestead or nonresidential property; provided, however, that the tax levied under this chapter shall be billed to each taxpayer by the municipality in a manner that clearly indicates the tax is separate from any other tax assessed and collected under chapter 133, including an itemization of the separate taxes due. The bill may be on a single sheet of paper with the statewide education tax and other taxes presented separately and side by side.

\* \* \*

Sec. H.15 32 V.S.A. § 6066a(f) is amended to read:

(f) Property tax bills.

(1) For taxpayers and amounts stated in the notice to towns on July 1, municipalities shall create and send to taxpayers a homestead property tax bill, instead of the bill required under subdivision 5402(b)(1) of this title, providing the total amount allocated to payment of homestead education property tax liabilities and notice of the balance due. Nothing in this subdivision, however, shall be interpreted as altering the requirement under subdivision 5402(b)(1) of this title that the statewide education homestead tax be billed in a manner that is stated clearly and separately from any other tax. Municipalities shall apply

the amount allocated under this chapter to current-year property taxes in equal amounts to each of the taxpayers' property tax installments that include education taxes. Notwithstanding section 4772 of this title, if a town issues a corrected bill as a result of the November 1 notice sent by the Commissioner under subsection (a) of this section, issuance of ~~such~~ the corrected new bill does not extend the time for payment of the original bill, nor relieve the taxpayer of any interest or penalties associated with the original bill. If the corrected bill is less than the original bill, and there are also no unpaid ~~current year~~ current-year taxes, interest, or penalties and no ~~past-year~~ past-year delinquent taxes or penalties and interest charges, any overpayment shall be reflected on the corrected tax bill and refunded to the taxpayer.

\* \* \*

\* \* \* Staff-to-Student Ratios Task Force \* \* \*

#### Sec. H.16 STAFF-TO-STUDENT RATIOS TASK FORCE

(a) Creation. There is created the Staff-to-Student Ratios Task Force, a collaborative effort among government, nonprofit organizations, research experts, and other education stakeholders, that will strive best to ensure education quality while simultaneously ensuring fiscal efficiency in the context of the State's declining student population. Specifically, the Task Force is charged with:

(1) reviewing current staff-to-student count ratios for specific categories of schools and school district configurations, and establishing optimal target ratios for different school district configurations;

(2) identifying barriers that hamper staffing flexibility at the local level, including whether aspects of the regulatory environment, including mandatory staffing requirements and collective bargaining or other contractual obligations, contribute to lower staff-to-student ratios;

(3) aligning to the greatest extent possible the work of the Task Force with existing research findings and reports, based on studies conducted either nationally or in New England, concerning optimal classroom practices and resources, class and school sizes for successful learning outcomes, and the impact of population decline on rural schools;

(4) attending to compliance with federal rules and regulations, so as to avoid jeopardizing the State's federal funding;



(5) determining a mechanism or mechanisms that account for the effects of familial and community-level poverty and human services need, including student experiences of trauma and familial or community-level addiction, on staffing ratios;

(6) considering the impact on staff-to-student ratios due to students' enrollment with independent schools; and

(7) developing recommended strategies for districts to help them meet targets.

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

(1) the Secretary of Education or designee;

(2) the Executive Director of the Vermont Superintendents Association or designee;

(3) the Executive Director of the Vermont School Boards Association or designee;

(4) the Executive Director of the Vermont Principals' Association or designee;

(5) the Executive Director of the Vermont-National Education Association or designee;

(6) one member selected by the Vermont Association of School Business Officials;

(7) two to four members from Vermont postsecondary institutions, selected by the Task Force, who have expertise in areas among the following: multi-age classrooms and teaching strategies, interdisciplinary instruction, school realignment and reconfiguration, and the impact of community poverty, trauma, or addiction on education staffing; and

(8) a national expert in rural education, selected by the Task Force.

(c) Assistance. The Task Force shall have technical assistance from the Agency of Education.

(d) Report. On or before December 15, 2018, the Task Force shall present to the House and Senate Committees on Education its findings concerning optimum staff-to-student ratios, including optimum ratios for a variety of school and school district sizes and configurations. The Task Force shall include in its report a recommendation as to whether staff-to-student target ratios should be included in statute for fiscal year 2021.

(e) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Task Force to occur on or before July 1, 2018.

(2) The Task Force shall select a chair from among its members at the first meeting.

(3) The Task Force shall cease to exist on December 31, 2018.

(f) Compensation and reimbursement. Members of the Task Force 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 ten meetings. These payments shall be made from monies appropriated to the Agency of Education.

(g) Appropriation. The sum of \$7,320.00 is appropriated from the General Fund to the Agency of Education to provide funding for the purposes set forth in this section.

\* \* \* Vermont Tax Structure Commission \* \* \*

#### Sec. H.17 VERMONT TAX STRUCTURE COMMISSION

(a) There is hereby established the Vermont Tax Structure Commission composed of three to five members to be selected as follows:

(1) the Speaker of the House, the President Pro Tempore of the Senate, and the Governor shall each appoint one member; and

(2) the three members appointed pursuant to subdivision (1) of this subsection may select one or two additional members, based on a majority vote.

(b) The Commission shall be appointed as soon as possible after the effective date of this act. The Commission shall elect a chair and a vice chair from among its members.

(c) The Commission shall prepare a structural analysis of the State's revenue system and offer recommendations for improvements and modernization and provide a long-term vision for the tax structure. The Commission's analysis shall include a review of Vermont's income taxes, consumption-based taxes, the education financing system, tax expenditures, and property and asset-based taxes. The Commission shall have as its goal a tax system that provides sustainability, appropriateness, and equity. For guidance, the Commission may use the Principles of a High-Quality State Revenue System as prepared by the National Conference of State Legislatures. A high-quality revenue system:

(1) Comprises elements that are complementary, including the finances of both state and local governments.

(2) Produces revenue in a reliable manner. Reliability involves stability, certainty, and sufficiency.

(3) Relies on a balanced variety of revenue sources.

(4) Treats individuals equitably. Minimum requirements of an equitable system are that it imposes similar tax burdens on people in similar circumstances, it minimizes regressivity, and it minimizes taxes on individuals with low income.

(5) Facilitates taxpayer compliance. It is easy to understand and minimizes compliance costs.

(6) Promotes fair, efficient, and effective administration. It is as simple as possible to administer, raises revenue efficiently, is administered professionally, and is applied uniformly.

(7) Is responsive to interstate and international economic competition.

(8) Minimizes its involvement in spending decisions and makes any such involvement explicit.

(9) Is accountable to taxpayers.

(d) It is the intent of the General Assembly that the work of the Commission not supplant or delay the normal Legislative and Executive Branch review and alteration of tax and revenue issues under State law.

(e) The Commission shall begin its work by:

(1) updating and incorporating the relevant work of the Blue Ribbon Tax Structure Commission created by 2009 Spec. Sess. Acts and Resolves No. 1;

(2) updating and incorporating work from the existing studies of Vermont's education finance system since the enactment of 1998 Acts and Resolves No. 60 and 2004 Acts and Resolves No. 68;

(f) The Commission shall submit a two-year work plan and budget to the Joint Fiscal Committee, the Senate Committee on Finance, and the House Committee on Ways and Means on or before February 15, 2019. The work plan shall outline the work the Commission intends to complete in its review of Vermont's income taxes, consumption-based taxes, education financing system, tax expenditures, and property and asset-based taxes. The final report of the Commission shall be made to the General Assembly on or before January 15, 2021.

(g) The Commission shall receive technical support from the Department of Taxes, the legislative Joint Fiscal Office, and consultants.

(h) The Joint Fiscal Office with the assistance of the Legislative Council and the Department of Taxes may contract with one or more consultants or hire a limited service position to provide assistance with achieving the goals for the Commission. The consultants shall have extensive experience with state tax systems and shall have participated in at least one other study of a state tax system.

(i) Members of the Commission shall be entitled to compensation as provided under 32 V.S.A. § 1010.

\* \* \* Public School Employee Health Benefits \* \* \*

Sec. H.18 16 V.S.A. chapter 61 is added to read:

CHAPTER 61. COMMISSION ON PUBLIC SCHOOL EMPLOYEE  
HEALTH BENEFITS

§ 2101. DEFINITIONS

As used in this chapter:

(1) “Participating employee” means a school employee who is eligible for and has elected to receive health benefit coverage through a school employer.

(2) “School employee” means:

(A) an individual employed by a supervisory union or school district as a teacher or administrator as defined in section 1981 of this title; or

(B) a municipal school employee as defined in 21 V.S.A. § 1722.

(3) “School employer” means a supervisory union or school district as those terms are defined in section 11 of this title.

§ 2102. COMMISSION ON PUBLIC SCHOOL EMPLOYEE HEALTH  
BENEFITS CREATED

(a) Commission created. There is created an independent commission to be called the Commission on Public School Employee Health Benefits (Commission) to determine, in accordance with section 2103 of this chapter, the amounts of the premiums and out-of-pocket expenses for school employee health benefits that shall be borne by school employers and by participating employees.

(b) Composition and appointment.

(1) The Commission shall have 10 members, of whom five shall be representatives of school employees and five shall be representatives of school employers.

(2)(A) The representatives of school employees shall be appointed as follows:

(i) four members appointed by the labor organization representing the greatest number of teachers, administrators, and municipal school employees in this State; and

(ii) one member appointed by the labor organization representing the second-greatest number of teachers, administrators, and municipal school employees in this State.

(B) The five representatives of school employers shall be appointed by the organization representing the majority of the public school boards in this State.

(C) The appointing authorities shall select appointees who have an understanding of health care and employer-employee relations and who demonstrate a willingness to work collaboratively.

(D) The term of each member of the Commission shall be six years, provided that of the members first appointed by the labor organization described in subdivision (A)(i) of this subdivision (2), one appointee shall serve a term of two years and one appointee shall serve a term of four years, and of the members first appointed by the organization representing the majority of the public school boards in this State, one appointee shall serve a term of two years and one appointee shall serve a term of four years.

(3) In the event of a vacancy, the appointing authority of the member whose seat becomes vacant shall appoint a successor to serve out the remainder of the member's term.

(c) Chairs. The Commission shall be chaired jointly by one member selected biennially by the representatives of school employees and one member selected biennially by the representatives of school employers.

(d) Removal of Commission members. Members of the Commission may be removed only for cause. The Commission shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

(e) Decisions. All decisions of the Commission shall require the votes of a majority of the representatives of school employees and a majority of the representatives of school employers.

(f) Compensation. Commission members shall be entitled to receive per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

(g) Staffing and expenses. The Commission may hire staff as it deems necessary to carry out its duties under this chapter. Compensation for Commission staff and administrative expenses of the Commission shall be shared equally by school employers and school employees. The representatives of school employers and the representatives of school employees shall equitably apportion their share of the costs of compensation and administrative expenses among their members.

(h) Rulemaking. The Commission may adopt rules or procedures, or both, pursuant to 3 V.S.A. chapter 25 as needed to carry out its duties under this chapter.

#### § 2103. DUTIES OF THE COMMISSION

(a) The Commission shall determine the percentage of the premium for individual, two-person, parent-child, and family coverage under a health benefit plan that shall be borne by each school employer and the percentage that shall be borne by participating employees.

(1) The premium responsibility percentages shall remain in effect for the entire plan year.

(2) Each school employer shall be responsible for paying, on behalf of all of its participating school employees, the applicable percentages of premium costs as determined by the Commission.

(3) The premium responsibility percentages for each plan tier shall be the same for all participating employees.

(b)(1) The Commission shall determine the amount of school employees' out-of-pocket expenses for which the school employer and the school employees shall be responsible, and whether school employers shall establish a health reimbursement arrangement, a health savings account, both, or neither, for their participating employees.

(2) The Commission also shall determine the extent to which the employer or employee shall bear first dollar responsibility for out-of-pocket expenses if using a health reimbursement arrangement and whether the balance in a participating employee's health reimbursement arrangement shall roll over from year to year.

(3) The school employers' and school employees' responsibilities for out-of-pocket expenses for each plan tier shall be the same for all participating employees.

(c) The Commission may make recommendations regarding health benefit plan design to any intermunicipal insurance association that offers health benefit plans to entities providing educational services pursuant to 24 V.S.A. chapter 121, subchapter 6.

(d) The Commission shall not make any determinations regarding school employer or school employee responsibilities with respect to stand-alone vision or dental benefits.

§ 2104. NEGOTIATION; TIME TO BEGIN; GOOD FAITH; WRITTEN AGREEMENT

(a)(1) The Commission shall commence negotiation of the matters set forth in subsections 2103(a) and (b) of this chapter not later than April 1 of the year before the existing agreement pursuant to this section is set to expire.

(2) The Commission shall meet together at reasonable times at the call of the Chairs and shall negotiate in good faith on all matters set forth in subsections 2103(a) and (b) of this chapter.

(3)(A) The Commission shall select a person to serve as a fact finder to assist it in resolving any matters remaining in dispute in the event that the Commission is unable to reach an agreement by August 1. The fact finder shall be selected by a vote of a majority of the representatives of school employees and of a majority of the representatives of school employers. If the Commission cannot agree on a fact finder by April 5, the American Arbitration Association shall be asked to appoint the fact finder.

(B)(i) The Commission shall mutually agree on an arbitrator by April 5 to decide all matters remaining in dispute if it is unable to reach an agreement within 30 days after receiving the fact finder's report.

(ii) If the Commission is unable to mutually agree on an arbitrator, it shall form a three-member panel of arbitrators to be selected as follows:

(I) One arbitrator shall be selected by the representatives of school employees from a list prepared by the American Arbitration Association.

(II) One arbitrator shall be selected by the representatives of school employers from a list prepared by the American Arbitration Association.

(III) The Commission shall request the services of the American Arbitration Association for the appointment of the third arbitrator.

(b)(1) The Commission shall enter into a written agreement incorporating all matters agreed to in negotiation.

(2) The terms of the agreement shall be incorporated by reference into all collective bargaining agreements for school employees.

(c) The term of each agreement shall be negotiated by the Commission but shall not be less than two years.

#### § 2105. DISPUTE RESOLUTION

(a)(1) If the Commission is unable to reach agreement by August 1, the Commission shall meet with the fact finder selected pursuant to section 2104 of this chapter not later than August 15.

(2) The fact finder may schedule and hold additional meetings with the Commission as necessary. The Commission shall furnish the fact finder with all records, papers, and information in its possession pertaining to any matter remaining in dispute.

(3) The fact finder shall, before issuing his or her decision, attempt to mediate the matters remaining in dispute.

(4) If the mediation fails to produce an agreement, the fact finder shall, on or before September 15, submit a written report to the Commission recommending a reasonable basis for the settlement of the matters remaining in dispute.

(b)(1) If the Commission is unable to resolve all matters remaining in dispute within 30 days after receiving the fact finder's report, the Commission shall submit the matters remaining in dispute to the arbitrator or arbitrators selected pursuant to section 2104 of this chapter for resolution.

(2) The representatives of school employees and the representatives of school employers shall submit to the arbitrator or arbitrators their last best offer on all issues remaining in dispute. The arbitrator or arbitrators shall select one of the last best offers in its entirety without amendment.

(3)(A) The arbitrator or arbitrators shall hold a hearing on or before November 15 at which the Commission members shall submit all relevant evidence, documents, and written material, and each member may submit oral or written testimony in support of his or her position on any undecided issue that is subject to arbitration.

(B) In reaching a decision, the arbitrator or arbitrators shall give weight to the evidence, documents, written material, and arguments presented, as well as the following factors:

(i) the interests and welfare of the public;



(ii) the financial ability of the Education Fund and school districts across the State to pay for the costs of health care benefits and coverage;

(iii) comparisons of the health care benefits of school employees with the health care benefits of similar employees in the public and private sectors in Vermont;

(iv) the average consumer prices for goods and services commonly known as the cost of living; and

(v) prior and existing health care benefits and coverage for school employees.

(4) The arbitrator or arbitrators shall issue their decision within 30 days after the hearing. The decision of the arbitrator or arbitrators shall be final and binding upon the Commission and all school employees and school employers. The decision shall not be subject to ratification.

(5) Upon the petition of a Commission member within not more than 15 days following the arbitration decision, a Superior Court shall vacate the decision if:

(A) it was procured by corruption, fraud, or other undue means;

(B) there was evident partiality or prejudicial misconduct by the arbitrator or arbitrators;

(C) the arbitrator or arbitrators exceeded their power or rendered a decision requiring a person to commit an act or engage in conduct prohibited by law; or

(D) there is an absence of substantial evidence on the record as a whole to support the decision.

(6) At any time prior to the issuance of a decision by the arbitrator or arbitrators, the Commission may notify the arbitrator or arbitrators of any additional issues on which a majority of the representatives of school employees and of the representatives of school employers have reached agreement.

(7) If any provision of this subsection is inconsistent with any other provision of law governing arbitration, this subsection shall govern.

(c) The arbitrator or arbitrators shall have the authority to address complaints that either party has engaged in or is engaging in unfair bargaining practices, including a refusal to bargain in good faith. If the arbitrator or arbitrators find upon a preponderance of the evidence that a party has engaged in or is engaging in any unfair bargaining practice, the arbitrator or arbitrators may include in the decision a remedy for the unfair bargaining practice that is consistent with the provisions of 21 V.S.A. § 1727(d).

§ 2106. STRIKES AND CONTRACT IMPOSITION PROHIBITED

(a) School employees and the representatives of school employees shall be prohibited from engaging in a strike, as defined by 21 V.S.A. § 1722(16), in relation to the negotiation of an agreement pursuant to this chapter.

(b) The representatives of school employers shall be prohibited from imposing the terms of the agreement that is subject to this chapter.

§ 2107. RATIFICATION OF AGREEMENT

(a) The representatives of school employers and the representatives of school employees shall each develop procedures by which their members shall ratify the agreement entered into by the Commission pursuant to this chapter within 30 days after the date of the agreement; provided, however, that if the agreement is determined by arbitration pursuant to subsection 2105(b) of this chapter, the agreement shall not be subject to ratification.

(b) In the event that either the school employers or school employees, or both, fail to ratify the agreement, the following provisions shall apply:

(1) If the Commission has not engaged in mediated fact-finding pursuant to subsection 2105(a) of this chapter during the current negotiation cycle, the Commission shall meet with the fact finder pursuant to the provisions of that subsection to settle all matters remaining in dispute. If the Commission is able to reach a new agreement, that agreement shall be submitted to the bargaining units for ratification. If, after mediated fact-finding, the Commission is unable to reach a new agreement, the Commission shall proceed to arbitration pursuant to subsection 2105(b) of this chapter.

(2) If the Commission has already engaged in mediated fact-finding pursuant to subsection 2105(a) of this chapter during the current negotiation cycle, the Commission shall proceed to arbitration pursuant to subsection 2105(b) of this chapter.

§ 2108. DUTIES OF SCHOOL EMPLOYERS

Each school employer shall:

(1) deduct from the gross wages of each participating employee a sum equal to the percentage of the premium determined by the Commission to be the employee's responsibility for the applicable tier of coverage;

(2) remit to the administrator of the health benefit plan the amount determined by the Commission to be the employers' premium responsibility for each participating employee, along with the amount deducted from the employee's wages for the employee's premium share;

(3) contribute toward the out-of-pocket expenses of each participating employee in the amounts and manner determined by the Commission to be the employer's responsibility; and

(4) participate in any health reimbursement arrangement or health savings account, or both, in the amounts and to the extent determined by the Commission.

Sec. H.19 16 V.S.A. § 2004 is amended to read:

§ 2004. AGENDA

(a) The school board, through its negotiations council, shall, upon request, negotiate with representatives of the teachers' or administrators' organization negotiations council on matters of salary, related economic conditions of employment, the manner in which it will enforce an employee's obligation to pay the agency fee, procedures for processing complaints and grievances relating to employment, and any mutually agreed-upon ~~agreed-upon~~ matters not in conflict with the statutes and laws of the State of Vermont.

(b) As used in this section, the terms "salary" and "related economic conditions of employment" shall not include health care benefits or coverage other than stand-alone vision and dental benefits. Health care benefits and health coverage, excluding stand-alone vision and dental benefits but including health reimbursement arrangements and health savings accounts, shall not be subject to collective bargaining pursuant to this chapter, but shall be determined pursuant to chapter 61 of this title.

Sec. H.20 16 V.S.A. § 2005 is amended to read:

§ 2005. WRITTEN AGREEMENT

The negotiations councils for the school board and the teachers' or administrators' organization shall enter into a written agreement or agreements incorporating therein matters agreed to in negotiation. The written agreement shall incorporate by reference the terms of the agreement entered into pursuant to chapter 61 of this title.

Sec. H.21 21 V.S.A. § 1722 is amended to read:

§ 1722. DEFINITIONS

As used in this chapter:

\* \* \*

(12) "Municipal employee" means any employee of a municipal employer, including a municipal school employee or a professional employee as defined in subdivision 1502(11) of this title, except:

\* \* \*

(17) “Wages, hours, and other conditions of employment” means any condition of employment directly affecting the economic circumstances, health, safety, or convenience of employees but excluding matters of managerial prerogative as defined in this section. For collective bargaining related to municipal school employees, “wages, hours, and other conditions of employment” shall not include health care benefits or coverage other than stand-alone vision and dental benefits.

\* \* \*

(21) “Municipal school employee” means an employee of a supervisory union or school district who is not otherwise subject to 16 V.S.A. chapter 57 (labor relations for teachers and administrators) and who is not otherwise excluded pursuant to subdivision (12) of this section.

Sec. H.22 21 V.S.A. § 1725 is amended to read:

§ 1725. COLLECTIVE BARGAINING PROCEDURE

(a)(1) For the purpose of collective bargaining, the representatives of the municipal employer and the bargaining unit shall meet at any reasonable time and shall bargain in good faith with respect to wages, hours, and conditions of employment, and shall execute a written contract incorporating any agreement reached; provided, however, that neither party shall be compelled to agree to a proposal nor to make a concession, nor to bargain over any issue of managerial prerogative.

(2)(A) For the purpose of collective bargaining related to municipal school employees, “wages, hours, and conditions of employment” shall not include health care benefits or coverage other than stand-alone vision and dental benefits. Health care benefits and coverage, excluding stand-alone vision and dental benefits but including health reimbursement arrangements and health savings accounts, shall not be subject to collective bargaining by municipal school employees pursuant to this chapter, but shall be determined pursuant to 16 V.S.A. chapter 61.

(B) All written contracts executed in relation to municipal school employees shall incorporate by reference the terms of the agreement entered into pursuant to 16 V.S.A. chapter 61.

\* \* \*

Sec. H.23 HEALTH CARE BENEFIT TRANSITION; LEGISLATIVE  
INTENT

(a) In recognition of the existing disparities in health care benefits between different supervisory unions and school districts and between different

categories of employees within the same supervisory unions and school districts, it is the intent of the General Assembly that the Commission on Public School Employee Health Benefits endeavor to transition school employees and school employers to more equitable health care coverage statewide in a manner that is fair and practicable for all parties involved.

Sec. H.24 TERM OF INTERIM COLLECTIVE BARGAINING AGREEMENTS; COMMENCEMENT OF COMMISSION NEGOTIATIONS

(a) All collective bargaining agreements between a supervisory union or school district and school employees that take effect between July 1, 2018 and June 30, 2020 shall expire between July 1, 2020 and September 1, 2020.

(b) The initial agreement negotiated by the Commission on Public School Employee Health Benefits shall be for incorporation by reference into collective bargaining agreements between a supervisory union or school district and school employees that take effect on or after July 1, 2020. The Commission shall, pursuant to 16 V.S.A. § 2104, commence negotiations for the initial agreement on or before April 1, 2019.

Sec. H.25 24 V.S.A. § 4947 is amended to read:

§ 4947. INDEPENDENT SCHOOLS; ELIGIBLE TO PARTICIPATE HEALTH BENEFIT PLANS OFFERED TO ENTITIES PROVIDING EDUCATIONAL SERVICES

(a) As used in this section:

(1) "Health benefit association" means an association that offers one or more health benefit plans to school employers for coverage of their school employees.

(2) "School employee" shall have the same meaning as in 16 V.S.A. § 2101.

(3) "School employer" shall have the same meaning as in 16 V.S.A. § 2101.

(b) A health benefit association shall offer the same plan or plans to all school employers.

(c) A health benefit association shall solicit the input of the Commission on Public School Employee Health Benefits established in 16 V.S.A. § 2102 regarding the design of the health benefit plan or plans to be offered to school employers for coverage of their school employees.

(d) The governing board of a health benefit association shall be composed of the following six members:

(1) three members appointed by the organization representing the majority of the public school boards in this State, who shall not be employees of the organization; and

(2) three members appointed by the labor organization representing the greatest number of public school employees in the State, who shall not be employees of the organization.

(e) ~~An A health benefit association that offers hospital, surgical and medical benefits insurance to entities that are providing educational services under this subchapter, may~~ shall make such insurance all health benefit plans that it offers available to approved or recognized independent schools operating in Vermont. Participation shall ~~be on the same terms and conditions that apply to municipalities and~~ shall not create joint and several liability as a result of any act or omission of any other school, municipality, or association. Schools that participate under this section shall be provided with copies of the annual audit. The provisions of ~~section 16 V.S.A. § 166 of Title 16~~ shall apply for purposes of determining whether a school qualifies as an “approved or recognized independent school.”

Sec. H.26 DEPARTMENT OF FINANCIAL REGULATION;  
RULEMAKING

(a) The Department of Financial Regulation shall amend its rules pursuant to 3 V.S.A. chapter 25 as needed to conform to the provisions of 24 V.S.A. § 4947 as amended by this act, and a health benefit association shall amend its governing documents accordingly.

Sec. H.27 VERMONT EDUCATION HEALTH INITIATIVE PLANS;  
BOARD TRANSITION

(a)(1) A health benefit association offering health benefit plans pursuant to 24 V.S.A. § 4947 on July 1, 2018 shall continue to make the same health benefit plans available to public school employers and approved or recognized independent school employers, and their participating employees, until the expiration of the first agreement entered into by the Commission on Public School Employee Health Benefits. A health benefit association may modify its plan designs or plan offerings, or both, beginning with the health benefit plans to be offered in the first plan year to which the Commission’s second agreement applies.

(2) Nothing in subdivision (1) of this subsection shall be construed to limit or modify the requirement that a health benefit association file annual, actuarially sound, proposed premium rates with the Department of Financial Regulation in amounts sufficient to ensure the continued solvency of the association and its health benefit plans.

(b)(1) The composition of the board of a health benefit association, as defined in 24 V.S.A. § 4947(a), that is in place on the date of passage of this act may continue in the same form until October 1, 2018. On October 1, 2018, the terms of all board members then serving shall expire.

(2) Beginning on October 1, 2018, the board of a health benefit association shall conform to the composition specified in 24 V.S.A. § 4947(d) and the terms of all new board members shall begin on that date. Board members serving immediately prior to October 1, 2018 shall be eligible for reappointment to the extent permitted by the board's bylaws.

#### Sec. H.28 NO IMPACT ON HEALTH BENEFITS FOR RETIRED SCHOOL EMPLOYEES

(a) Nothing in this act shall be construed to modify the health benefits or health benefit plans offered to retired school employees.

\* \* \* Administrative Changes \* \* \*

Sec. H.29 32 V.S.A. § 5402b(a)(4) is amended to read:

(4) the percentage change in the ~~median~~ average education tax bill applied to nonresidential property, and the percentage change in the ~~median~~ average education tax bill of homestead property, and the percentage change in the ~~median~~ average education tax bill for taxpayers who claim an adjustment under subsection 6066(a) of this title are equal.

Sec. H.30 24 V.S.A. § 1892(g) is amended to read:

(g) ~~Beginning in 2019 and annually~~ Beginning in 2021 and every four years thereafter, on or before January 15 ~~of each year~~, the Joint Fiscal Office, with the assistance of the consulting Legislative Economist, the Department of Taxes, and the Agency of Commerce and Community Development in consultation with the Vermont Economic Progress Council, shall examine the recommendations and conclusions of the tax increment financing capacity study and report created pursuant to subsection (e) of this section, and shall submit to the Emergency Board and to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance an updated summary report that includes:

\* \* \*

\* \* \* Effective Dates Secs. H.1–H.31; Transition \* \* \*

#### Sec. H.31 EFFECTIVE DATES AND TRANSITION

(a) Notwithstanding any other provision of this act, this section and Secs. H.1-H.30 shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Secs. H.1–H.6 (income tax changes) shall take effect retroactively on January 1, 2018 and apply to taxable year 2018 and after.

(2) Notwithstanding 1 V.S.A. § 214, Sec. H.7 (income tax link to the federal tax statutes) shall take effect retroactively on January 1, 2018 and apply to taxable years beginning on January 1, 2017 and after.

(3) Secs. H.8–H.9 (General Fund and Education Fund revenues) and H.10 (yield and nonresidential rate for fiscal year 2019) shall take effect on July 1, 2018, and apply to fiscal year 2019 and after; provided that if the date of passage of this act is after July 1, 2018, then notwithstanding 1 V.S.A. § 214, Secs. H.8–H.9 and H.10 shall take effect retroactively on July 1, 2018 and apply to fiscal year 2019 and after.

(4) Notwithstanding 1 V.S.A. § 214, Sec. H.11 (calculation of property tax adjustments) shall take effect retroactively to the taxable year starting on January 1, 2017 and apply to property tax adjustment claims filed for fiscal year 2019 (claim year 2018) and after.

(5) Secs. H.12–H.13 (municipal and education super-circuitbreaker and credit limits) and H.14–H.15 (property tax bill requirements) shall take effect on July 1, 2019 and apply to fiscal year 2020 and after.

(6) Secs. H.19–H.22 (subjects for collective bargaining) shall take effect on January 1, 2020 and shall apply to all collective bargaining agreements between a supervisory union or school district and school employees that take effect on or after that date.

\* \* \* Relating to Vital Records \* \* \*

Sec. I.1 2017 Acts and Resolves No. 46, Sec. 63 is amended to read:

Sec. 63. EFFECTIVE DATES

(a) This section; in Sec. 3, 18 V.S.A. § 5000(e)(8) and (f) (rulemaking authority); and in Sec. 39, 18 V.S.A. § 5131(a)(2) (marriage license application form) shall take effect on passage.

(b) All other sections of this act shall take effect on July 1, ~~2018~~ 2019.

Sec. I.2 REPEAL

(a) The following sections of 2017 Acts and Resolves No. 46 are repealed:

(1) Sec. 9, amending 18 V.S.A. § 5007;

(2) Sec. 17, adding 18 V.S.A. § 5016;

(3) Sec. 22, amending 18 V.S.A. § 5073;



- (4) Sec. 24, amending 18 V.S.A. § 5075;
- (5) Sec. 29, amending 15A V.S.A. § 3-802;
- (6) Sec. 30, amending 18 V.S.A. § 5078; and
- (7) Sec. 52, amending 18 V.S.A. § 5202a.

Sec. I.3 18 V.S.A. § 5000(c)(2) is added to read:

- (2) On and after July 1, 2019:

(A) upon registration of a birth or death in the Statewide Registration System, the System shall automatically notify the town clerk of the town of occurrence and the town clerk of residence of the registrant;

(B) upon the correction or amendment of a birth or death certificate registered in the System, or upon issuance of a new birth certificate to replace a birth certificate registered in the System, the System shall automatically notify the town clerk of the town of occurrence and the town clerk of residence of the registrant.

Sec. I.4 18 V.S.A. § 5007 is amended to read:

#### § 5007. PRESERVATION OF DATA RECORDS

A town clerk shall receive, number, and file for record certificates of births, marriages, civil unions, and deaths, and shall preserve such certificates together with the and burial-transit and removal permits returned to the clerk, in a fireproof vault or safe, as provided by 24 V.S.A. § 1178. A town clerk shall permanently preserve at the office of the clerk birth and death certificates registered prior to July 1, 2019 and marriage and civil union certificates.

Sec. I.5 18 V.S.A. § 5016 is added to read:

#### § 5016. BIRTH AND DEATH CERTIFICATES; COPIES; INSPECTION

- (a) Access and issuance generally.

- (1) Except as provided in subdivisions (2) and (3) of this subsection:

(A) only the State Registrar and issuing agents may issue certified copies of birth and death certificates registered before July 1, 2019, and such certificates shall only be issued from the Statewide Registration System; and

(B) only the State Registrar and issuing agents may issue certified or noncertified copies of birth and death certificates registered on or after July 1, 2019, and such certificates shall only be issued from the Statewide Registration System.

(2) Copies of birth and death certificates registered prior to January 1, 1909 shall not be issued from the Statewide Registration System.

Any town clerk may issue a certified copy of a pre-1909 birth or death certificate, provided he or she fulfills the requirements of subsection (b) of this section and such additional requirements as the State Registrar may prescribe as necessary to track antifraud paper used to produce such copies.

(3) A certified or noncertified birth or death certificate shall only be issued as authorized and prescribed in this section, except that in either of the following circumstances, a public agency may issue a noncertified copy even if it does not follow the requirements of this section governing noncertified copies:

(A) if the public agency is an agency other than the Office of Vital Records, the Vermont State Archives and Records Administration, or the office of a town or county, and the public agency has custody of a birth or death certificate acquired in the course of its business; or

(B) if the birth or death certificate was filed in the records of a town or county office, such as land records, for a reason unrelated to its official role under law as a repository of registered birth or death certificates.

(4) The word “illegitimate” shall be redacted from any certified or noncertified copy of a birth certificate.

(5) If necessary to prevent fraud, the State Registrar may limit the issuance of a certified or noncertified copy of a certificate of live birth for a foreign born child in the same manner as copies of birth certificates are limited under this section.

(b) Certified copies.

(1) The State Registrar and issuing agents may issue certified copies of birth and death certificates only upon receipt of a complete application accompanied by a form of identification prescribed in rules adopted by the State Registrar. The State Registrar and issuing agents shall record in a database maintained by the State Registrar any application received.

(2) Only the following persons shall be eligible for a certified copy of a birth or death certificate:

(A) the registrant or his or her spouse, child, parent, sibling, grandparent, or guardian; a person petitioning to open a decedent’s estate; a court-appointed executor or administrator; or the legal representative of any of these;

(B) a specific person pursuant to a court order finding that a noncertified copy is not sufficient for the applicant’s legal purpose and that a certified copy of the birth or death certificate is needed for the determination or protection of a person’s right; or

(C) in the case of a death certificate only, additionally to:

(i) the individual with authority for final disposition as provided in section 5227 of this title or a funeral home or crematorium acting on the individual's behalf;

(ii) the Social Security Administration;

(iii) the U.S. Department of Veterans Affairs; or

(iv) the deceased's insurance carrier, if such carrier provides benefits to the decedent's survivors or beneficiaries.

(3) Certified copies of birth and death certificates shall be issued only on unique paper with antifraud features approved by the State Registrar.

(4) A certified copy of a birth or death certificate shall be prima facie evidence of the facts stated therein.

(c) Noncertified copies.

(1) Form. A noncertified copy of a birth or death certificate issued from the Statewide Registration System shall indicate the term "Noncertified" on its face and shall not be issued on antifraud paper.

(2) Legal effect. A noncertified copy of a birth or death certificate shall not serve as prima facie evidence of the facts stated therein, except that it may be recorded in the land records of a municipality to establish the date of birth or death of a person with an ownership interest in property.

(d) Inspection. In addition to the provisions of the Public Records Act, the State Registrar may prescribe procedures governing the inspection of birth and death certificates if necessary to protect the integrity of the certificates or to prevent fraud.

Sec. I.6 18 V.S.A. § 5073 is amended to read:

§ 5073. AMENDMENT OF MINOR ERRORS ON BIRTH CERTIFICATE CORRECTIONS, COMPLETIONS

(a)(1) ~~Within~~ Except as otherwise provided in subdivision (2) of this subsection, within six months after the date of birth, ~~amendment of obvious errors, transpositions of letters in words of common knowledge, or omissions, may be made by the town clerk either upon his or her own observation or the~~ State Registrar may correct or complete a birth certificate in the Statewide Registration System upon ~~request~~ application of a parent, the hospital, in which the birth occurred, the certifying attendant, ~~or the Supervisor of Vital Records Registration.~~

(2) At any time after the date of birth, the State Registrar may complete a birth certificate to add the name of a parent only upon request of the registrant or his or her parent or guardian and upon the receipt of:

(A) a properly executed voluntary acknowledgment of parentage; or

(B) a decree of a court or administrative agency of competent jurisdiction adjudicating parentage.

(3) Within six months after the date of birth, the State Registrar may complete or change the name of a child upon joint application of the parents or upon application of the parent if only one parent is listed on the birth certificate. A court order shall not be required, except for completions or changes of name more than six months after the date of birth.

(b) If the State Registrar determines that a correction or completion requested under this section is unwarranted, he or she may deny an application, in which case the applicant may petition the Probate Division of the Superior Court. The court shall review the petition and relevant evidence de novo to determine if the correction or completion is warranted. The court shall transmit a decree ordering a correction or completion to the State Registrar, who shall correct or complete the certificate in accordance with the decree.

~~(c) The amended A corrected or completed certificate shall be free of any evidence of such correction except that the clerk shall make a notation as to the change and shall not be marked "Amended." However, the State Registrar shall record and maintain in the Statewide Registration System the source of the information, together with his or her name the nature and content of the change, the identity of the person making the change, and the date the change was made, on the margin of the certificate. This notation shall not be included on any certified copy of the certificate issued except as specified in subsection (b) of this section. The certificate shall not be marked "Amended."~~

~~(b) The town clerk shall send a certified copy of any certificate amended under subsection (a) of this section to the Commissioner and also to the clerk of any town to whom a copy of the original record was sent under the provisions of section 5009 of this title, and shall enclose with that copy, but not endorsed thereon, a notation identifying the copy to be replaced. The copy shall show the notations specified in subsection (a) of this section. The Commissioner shall file this return or copy by attaching the same to the original return or copy.~~

(d) If the State Registrar corrects or completes a certificate that was registered prior to July 1, 2019, he or she shall notify the town clerk or clerks with custody of the certificate, who shall replace and dispose of the uncorrected certificate and update indexes as directed by the State Registrar. Corrected or completed originals shall not be marked "Amended."

Sec. I.7 18 V.S.A. § 5075 is amended to read:

§ 5075. ISSUANCE OF NEW OR CORRECTED AMENDED OR DELAYED BIRTH CERTIFICATE BY PROBATE DIVISION OF THE SUPERIOR COURT APPLICATION

(a) ~~After~~ Except as otherwise provided in subdivision 5073(a)(2) of this title, after six months from the date of birth, any alteration of the birth certificate of a person born in this state may be amended only by the decree of the Probate Division of the Superior Court of the district in which such birth occurred State shall be deemed an amendment. ~~A petition for such amendment may be brought by the person, the person's~~ Upon application by the registrant, his or her parent or guardian, the hospital in which the birth occurred, or the certifying attendant, or custodian setting forth the reason for such petition and the correction or amendment desired and the reason for it, the State Registrar may amend the birth certificate if the application and relevant evidence, if any, show that the amendment is warranted.

(b) A person born in this State for whom no certificate of birth was filed during the first year following birth, or his or her parent or guardian, may ~~petition the Probate Division of the Superior Court of the district in which such person was born~~ apply to the State Registrar to determine the facts with respect to this the birth and to order the issuance of issue a delayed certificate of birth.

~~(b) Birth certificates issued under this section for minor errors as defined in subsection 5073(a) of this title shall be corrected without payment of a fee.~~

(c) If the State Registrar denies an application under this section, the applicant may petition the Probate Division of the Superior Court, which shall review the application and relevant evidence de novo to determine if the amendment or issuance of a delayed certificate is warranted. The court shall transmit a decree ordering an amendment or issuance of a delayed certificate to the State Registrar, who shall amend or issue the certificate in accordance with the decree.

(d) The State Registrar shall make any amendment and register any delayed certificate in the Statewide Registration System. Any amended birth certificate issued from the System shall indicate the word "Amended" and the date of amendment, and any delayed certificate issued from the System shall indicate the word "Delayed" and the date of registration. The State Registrar shall record and maintain in the System the identity of the person requesting the amendment or delayed certificate, the nature and content of the change made in the System, the person who made the amendment or registered the delayed certificate in the System, and the date of the amendment or registration.

(e) If the State Registrar amends a certificate that was registered prior to July 1, 2019, he or she shall notify the town clerk or clerks with custody of the certificate, who shall replace and dispose of the unamended certificate and update indexes as directed by the State Registrar.

Sec. I.8 18 V.S.A. § 5078 is amended to read:

§ 5078. ADOPTION; NEW AND AMENDED BIRTH CERTIFICATE

~~(a) The Supervisor of Vital Records Registration shall establish a new birth certificate for a person born in the State when the Supervisor~~ When the State Registrar receives a record report of adoption, a report of an amended adoption, or a report that an adoption has been set aside as provided in 15 V.S.A. § 449 15A V.S.A. § 3-801, or a record of adoption prepared and filed in accordance with the laws of another state or foreign country, he or she shall proceed as prescribed in 15A V.S.A. § 3-802.

~~(b) The new birth certificate shall be on a form prescribed by the Commissioner of Health. The new birth certificate shall include:~~

- ~~(1) the actual place and date of birth;~~
- ~~(2) the adoptive parents as though they were natural parents;~~

~~(3) If prior to July 1, 2019 a new birth certificate was issued following an adoption that contains a notation that it was issued by authority of this chapter, contains the filing dates of the original and the new birth certificate, or otherwise contains information that facially distinguishes it from an original, the adoptive parent or the adoptee if 14 years of age or older may apply to the State Registrar to issue a replacement birth certificate that does not contain distinguishing information. The State Registrar shall issue the replacement and notify any town clerk with custody of the version that contains distinguishing information, who shall substitute the latter with the replacement birth certificate. The town clerk shall send the version that contains distinguishing information to the State Registrar, who shall keep it confidential.~~

~~(c) The new birth certificate shall not contain a statement whether the adopted person was illegitimate. [Repealed.]~~

~~(d) The new certificate, and sufficient information to identify the original certificate, shall be transmitted to the clerk of the town of birth to be filed according to the procedures in 15 V.S.A. § 451. [Repealed.]~~

~~(e) The Supervisor of Vital Records Registration shall not establish a new birth certificate if the supervisor receives, accompanying the record of adoption, a written request that a new certificate not be established:~~

- ~~(1) from the adopted person if 18 years or older; or~~

~~(2) from the adoptive parent or parents if the adopted person is under 18 years of age. [Repealed.]~~

~~(f) When the Supervisor of Vital Records Registration receives a record of adoption for a person born in another state, the Supervisor shall forward a certified copy of the record of adoption to the state registrar in the state of birth, with a request that a new birth certificate be established under the laws of that state. [Repealed.]~~

Sec. I.9 18 V.S.A. § 5202a is amended to read:

§ 5202a. CORRECTION, COMPLETION, OR AMENDMENT OF DEATH CERTIFICATE

~~(a) Corrections, completions. Within six months after the date of death, the town clerk State Registrar may correct or complete a death certificate upon application by the certifying physician licensed health care professional, medical examiner, hospital, nursing home, or funeral director, if the application and relevant evidence, if any, show that the correction or completion is warranted. ~~The town clerk may correct or complete the certificate accordingly and shall certify thereon that such correction or completion was made pursuant to this section, with the date thereof. In his or her discretion, the town clerk may refuse an application for correction or completion, in which case, the applicant may petition the Probate Division of the Superior Court for such correction or completion.~~~~

~~(b)(1) Amendments. After six months from the date of death, any alteration of a death certificate may only be corrected or amended pursuant to decree of the Probate Division of the Superior Court in which district the original certificate is filed shall be deemed an amendment. Upon application by a person specified in subsection (a) of this section, the State Registrar may amend the death certificate if the application and relevant evidence, if any, show that the amendment is warranted.~~

~~(2) The Probate Division of the Superior Court to which such application is made shall set a time for hearing thereon and, if such court deems necessary, cause notice of the time and place thereof to be given by posting the same in the Probate Division of the Superior Court office and, after hearing, shall make such findings, with respect to the correction of such death certificate as are supported by the evidence. The court shall thereupon issue a decree setting forth the facts as found and transmit a certified copy of such decree to the Supervisor of Vital Records Registration. The Supervisor of Vital Records Registration~~

(c) Appeal. If the State Registrar denies an application for a correction, completion, or amendment under this section, the applicant may petition the Probate Division of the Superior Court, which shall review the application and relevant evidence de novo to determine if the requested action is warranted. The court shall transmit a decree ordering a correction, completion, or amendment to the State Registrar, who shall take action in accordance with the decree.

(d) Documentation of changes. The State Registrar shall make corrections, completions, and amendments in the Statewide Registration System. A corrected or completed certificate issued from the System shall be free of any evidence of the alteration and shall not be marked "Amended." Any amended death certificate issued from the System shall indicate the word "Amended" and the date of amendment. The State Registrar shall enter into and maintain in the System the identity of the person requesting the correction, completion, or amendment, the nature and content of the change, the identity of the person making the change in the System, and the date the change was made.

(e) Original certificates. If the State Registrar corrects, completes, or amends a certificate that was registered prior to July 1, 2019, he or she shall transmit the same to the appropriate town clerk to amend ~~notify the town clerk or clerks with custody of the original or issue a new certificate, who shall replace and dispose of the original and update indexes, as directed by the State Registrar. The words "Court Amended" shall be typed, written, or stamped at the top of the new or amended certificates with the date of the decree and the name of the issuing court.~~

(e)(f) ~~Provided, however, that only the medical examiner or the certifying physician may apply to~~ Cause of death. The State Registrar shall only correct ~~or~~, complete ~~the certificate as to~~, or amend the medical certification of the cause of death upon application by the medical examiner or certifying licensed health care professional.

Sec. I.10 15A V.S.A. § 3-802 is amended to read:

§ 3-802. ISSUANCE OF NEW, AMENDED BIRTH CERTIFICATE

(a) Except as otherwise provided in subsection (d) of this section, upon receipt of a report of adoption prepared pursuant to ~~section 3-801~~ subsection 3-801(a) of this title, a report of adoption prepared in accordance with the law of another state or country, a certified copy of a decree of adoption together with information necessary to identify the adoptee's original birth certificate and to issue a new certificate, or a report of an amended adoption prepared pursuant to subsection 3-801(b) of this title, the ~~supervisor of vital records~~ State Registrar shall either:



~~(1) issue a new birth certificate for an adoptee born in this state~~ State, update the Statewide Registration System in accordance with the decree, and furnish a certified copy of the a new birth certificate to the adoptive parent and to an adoptee who has attained is 14 years of age or older;

~~(2) forward a certified copy of a report of adoption for an adoptee born in another state, forward a certified copy of the report of adoption to the supervisor of vital records appropriate office of the state of birth;~~

~~(3) issue a certificate of foreign birth for an adoptee adopted in this state and State who was born outside the United States and was not a citizen of the United States at the time of birth, create and register in the Statewide Registration System a “certificate of live birth for a foreign born child” upon request and in the form specified in 18 V.S.A. § 5078a, and furnish a certified copy of the certificate to the adoptive parent and to an adoptee who has attained is 14 years of age or older;~~

~~(4) notify an adoptive parent of the procedure for obtaining a revised birth certificate through the U.S. Department of State for an adoptee born outside the United States who was a citizen of the United States at the time of birth, notify the adoptive parent of the procedure for obtaining a revised birth certificate through the U.S. Department of State; or~~

~~(5) in the case of an amended decree of adoption, issue an amended birth certificate according to either update the Statewide Registration System in accordance with the decree and follow the procedure in subdivision (a)(1) or (3) of this section, or follow the procedure in subdivision (2) or (4) of this section.~~

(b) Unless otherwise specified by the court, a new birth certificate or certificate of live birth for a foreign born child issued pursuant to subdivision (a)(1) or (3) or an amended certificate issued pursuant to subdivision (a)(5) of this section shall:

(1) be signed by the ~~supervisor of vital records~~ State Registrar;

(2) include the date, time, and place of birth of the adoptee;

(3) substitute the name of the adoptive parent for the name of the person listed as the adoptee’s parent on the original birth certificate;

~~(4) include the filing date of the original birth certificate and the filing date of the new birth certificate; [Repealed.]~~

(5) contain any other information prescribed by the ~~supervisor of vital records~~ State Registrar.

(c) ~~The supervisor of vital records, and any other custodian of such records,~~ In the case of birth certificates registered prior to July 1, 2019 that are to be replaced or amended pursuant to subdivision (a)(1) or (5) of this section, the State Registrar shall notify the town clerk or clerks with custody of the certificate, who shall substitute the new or amended birth certificate for the original birth certificate. The original certificate and all copies of the certificate in the files shall be sealed and shall not be subject to inspection or copying until 99 years after the adoptee's date of birth, except as provided by this title.

(d) If the court, the adoptive parent, or an adoptee who ~~has attained~~ is 14 years of age ~~or older~~ requests that a new or amended birth certificate not be issued, the ~~supervisor of vital records may~~ State Registrar shall not issue a new or amended certificate for an adoptee pursuant to subsection (a) of this section; ~~but.~~ Nonetheless, for an adoptee born in another state, the State Registrar shall forward a certified copy of the report of adoption or of an amended decree of adoption for an adoptee who was born in another state to the appropriate office in the adoptee's state of birth.

(e) Upon receipt of a report that an adoption has been ~~vacated~~ set aside, the ~~supervisor of vital records~~ State Registrar shall:

(1) ~~restore the original birth certificate for a person born in this state to its place in the files, State for whom a new birth certificate was issued, update the Statewide Registration System to reflect the original birth certificate data and, in the case of an original birth certificate registered prior to July 1, 2019, notify the town clerk or clerks with custody of the certificate, who shall seal any new or amended birth certificate issued pursuant to subsection (a) of this section, restore the original, update indexes as directed by the State Registrar, and not allow inspection or copying of a~~ the sealed certificate except upon court order or as otherwise provided in this title;

(2) ~~forward the report with respect to~~ for a person born in another state, ~~forward the report to the appropriate office in the state of birth;~~ ~~or~~

(3) for an adoptee born outside the United States who was not a citizen of the United States at the time of birth for whom a certificate of live birth for a foreign born child was issued, update the Statewide Registration System to reflect that the adoption was set aside; or

(4) ~~notify the person who is granted legal custody of a former adoptee after an adoption is vacated of the procedure for obtaining an original birth certificate through the U.S. Department of State for a former adoptee born outside the United States who was a citizen of the United States at the time of birth, notify the person who is granted legal custody of a former adoptee after an adoption is set aside of the procedure for obtaining an original birth~~

certificate through the U.S. Department of State.

(f) Upon request by a person who was listed as a parent on an adoptee's original birth certificate and who furnishes appropriate proof of the person's identity, the ~~supervisor of vital records~~ State Registrar shall give the person a noncertified copy of the original birth certificate.

\* \* \* EFFECTIVE DATES Secs. I.1-I.11 \* \* \*

#### Sec. I.11 EFFECTIVE DATES

(a) This section and Secs. I.1 (Act 46 effective dates) and I.2 (repeal of Act 46 sections) shall take effect on passage.

(b) Sec. I.3 (18 V.S.A. § 5000(c)(2)) shall take effect on July 1, 2019 and shall supersede amendments to 18 V.S.A. § 5000(c)(2) made by 2017 Acts and Resolves No. 46, Sec. 3.

(c) Secs. I.4-I.10 shall take effect on July 1, 2019.

After passage, the title of the bill is to be amended to read:

An act relating to making appropriations for the support of government, financing education and vital records.

Which was agreed to on a roll call, Yeas 27, 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, Balint, Baruth, Benning, Branagan, Bray, Brock, Brooks, Campion, Clarkson, Collamore, Cummings, Flory, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Sears, Sirotkin, Soucy, Starr, Westman, White.

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Ayer, Ingram, Rodgers.

Thereupon, pending the question, Shall the bill be read third time?, Senator Baruth moved to amend the Senate proposal of amendment in Sec. H.23 (health care benefit transition) by inserting a new subsection (b) to read as follows:

(b) Notwithstanding any provision of 16 V.S.A. § 2103 to the contrary, for the agreement for school employee health benefits to take effect on July 1, 2020, the Commission may agree to establish, or the arbitrator's decision may provide for, one set of contribution levels toward premiums and

out-of-pocket expenses for teachers and administrators and a different set of contribution levels for municipal school employees.

Which was agreed to.

Thereupon, third reading of the bill was ordered.

Thereupon, on motion of Senator Ashe, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence with proposal of amendment forthwith.

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

**Those Senators who voted in the negative were:** None.

**Those Senators absent and not voting were:** Ayer, Ingram, Rodgers.

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

#### **Adjournment**

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

---

#### **FRIDAY, JUNE 22, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:30 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

#### **Devotional Exercises**

A moment of silence was observed in lieu of devotions.

---

**Adjournment**

The time of 10:45 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until four o'clock in the afternoon.

**Message from the House No. 10**

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. 6.** An act relating to short-term rentals.

And has passed the same in concurrence.

The House has adopted joint resolution of the following title:

**J.R.H. 2.** Joint resolution condemning the recently reversed federal policy of separating children from their families at the southern international border, expressing a profound hope that the family separation policy will not be reinstated, and imploring the Department of Homeland Security to reunite the separated families immediately.

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

**Afternoon**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 4.00 P.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Adjournment**

The time of 4:15 P.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until the fall of the gavel.

**Evening**

The Senate was called to order by the Secretary.

**Adjournment**

The time of 7:40 P.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Saturday, June 23, 2018.

---

**SATURDAY, JUNE 23, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until ten o'clock in the forenoon on Monday, June 25, 2018.

---

**MONDAY, JUNE 25, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Adjournment**

The time of 10:15 A.M. having arrived and no quorum of the Senate having assembled, pursuant to Rule 9 of the Senate Rules, the Senate adjourned until two o'clock in the afternoon.

**Afternoon**

The Senate was called to order by the President.

**Pledge of Allegiance**

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

**Message from the House No. 11**

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

Mr. President:

I am directed to inform the Senate that:

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

**H. 16.** An act relating to vital records.

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

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

**H.C.R. 5.** House concurrent resolution congratulating the 2018 St. Johnsbury Academy Hilltoppers girls' track and field team on winning its fourth consecutive Division I championship.

**H.C.R. 6.** House concurrent resolution congratulating the 2018 Essex High School State championship boys' tennis team.

**H.C.R. 7.** House concurrent resolution congratulating the 2018 Essex High School Hornets Division I championship softball team.

**H.C.R. 8.** House concurrent resolution congratulating Molly McCreedy of Calais on her achievements as a high school shot put athlete.

**H.C.R. 9.** House concurrent resolution congratulating the U-32 High School Raiders on winning their sixth consecutive Division II boys' track and field championship.

**H.C.R. 10.** House concurrent resolution congratulating the "Timeless Oldies Variety Show" on its 200th weekly radio broadcast.

**H.C.R. 11.** House concurrent resolution congratulating the 2018 Essex High School Hornets Division I boys' track and field championship team.

**H.C.R. 12.** House concurrent resolution congratulating the 2018 Lake Region Union High School Rangers Division II championship baseball team.

**H.C.R. 13.** House concurrent resolution congratulating Preston Gordon on winning the 2018 boys singles individual State tennis tournament.

**H.C.R. 14.** House concurrent resolution congratulating the 2018 South Burlington Wolves Division I championship baseball team.

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

**Rules Suspended; Immediate Consideration; Joint House Resolution  
Adopted; Rules Suspended; Joint Resolution Messaged**

**J.R.H. 2.**

Pending reference to the Committee on Rules, on motion of Senator Ashe, the rules were suspended and Joint House Resolution entitled:

Joint resolution condemning the recently reversed federal policy of separating children from their families at the southern international border, expressing a profound hope that the family separation policy will not be reinstated, and imploring the Department of Homeland Security to reunite the separated families immediately.

Was *not* referred to the Committee on Rules, and was taken up for immediate consideration.

Whereas, on May 7, 2018, U.S. Attorney General Jeff Sessions announced that “the Department of Homeland Security is now referring 100 percent of illegal Southwest Border crossings to the Department of Justice for prosecution,” and

Whereas, the Attorney General continued, “If you are smuggling a child, then we will prosecute you and that child will be separated from you as required by law,” and

Whereas, until Wednesday, June 20, 2018, when the President issued an executive order reversing the federal policy of separating children from their families at the southern international border, the President had asserted that he was following existing law, but prior administrations had made exceptions to criminal detention for migrants entering the country illegally with children, and

Whereas, a spokeswoman for the U.N. High Commissioner for Human Rights stated that “the use of immigration detention and family separation as a deterrent runs counter to human rights standards and principles,” and

Whereas, during the period from April 19, 2018 to May 31, 2018, the Department of Homeland Security separated 1,995 children from 1,940 adults, and

Whereas, separation from parents is an adverse childhood experience that can disrupt normal brain development and result in a lifetime of negative health outcomes, and

Whereas, the children have been sent to temporary facilities that U.S. Representative Peter Welch described as “nothing short of a prison,” and



Whereas, former first Lady Laura Bush wrote in the *Washington Post* that “the zero-tolerance policy is cruel... [and] immoral” and that the “images are eerily reminiscent of the Japanese American internment camps of World War II,” now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly condemns the recently reversed federal policy of separating children from their families at the southern international border, expresses a profound hope that the family separation policy will not be reinstated, and implores the Department of Homeland Security to reunite the separated families immediately, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to President Donald Trump, U.S. Homeland Security Secretary Kirstjen Nielsen, and the Vermont Congressional Delegation.

Thereupon, the question, Shall the joint resolution be adopted in concurrence?, was decided in the affirmative.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the joint resolution was ordered messaged to the House forthwith.

**Rules Suspended; House Proposals of Amendment to Senate Proposal of Amendment Concurred In; Rules Suspended; Bill Delivered; Bill Messaged**

#### **H. 16.**

Pending entry on the Calendar for notice, on motion of Senator Ashe, the rules were suspended and House proposals of amendment to Senate proposal of amendment to House bill entitled:

An act relating to vital records.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendments thereto as follows:

First: In Sec. C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (b)(6), by striking out the following: “\$14,100,000” and inserting in lieu thereof the following: \$15,000,000

Second: In Sec C.1000 (fiscal year 2018 General Fund one-time appropriations, transfers, and reversions), in subdivision (e)(1) by striking out the following: “\$12,000,000” and inserting in lieu thereof the following: \$10,000,000

Third: By inserting a new section to be Sec. H.10a to read as follows:

Sec. H.10a 32 V.S.A. § 5402b(b) is amended to read:

(b) For each fiscal year, ~~the General Assembly shall set a property dollar equivalent yield and an income dollar equivalent yield, consistent with the definitions in the chapter~~ the property dollar equivalent yield and the income dollar equivalent yield shall be the same as in the prior fiscal year, unless set otherwise by the General Assembly.

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

Thereupon, on motion of Senator Ashe, bill was ordered delivered to the Governor forthwith.

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

#### **House Concurrent Resolutions**

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Reps. Beck and others,

By Senators Kitchel and Benning,

#### **H.C.R. 5.**

House concurrent resolution congratulating the 2018 St. Johnsbury Academy Hilltoppers girls' track and field team on winning its fourth consecutive Division I championship.

By Reps. Myers and others,

#### **H.C.R. 6.**

House concurrent resolution congratulating the 2018 Essex High School State championship boys' tennis team.

By Reps. Myers and others,

#### **H.C.R. 7.**

House concurrent resolution congratulating the 2018 Essex High School Hornets Division I championship softball team.

---

By Reps. Jessup and others,

**H.C.R. 8.**

House concurrent resolution congratulating Molly McCreedy of Calais on her achievements as a high school shot put athlete.

By Reps. Jessup and others,

**H.C.R. 9.**

House concurrent resolution congratulating the U-32 High School Raiders on winning their sixth consecutive Division II boys' track and field championship.

By Reps. Donahue and Lewis,

**H.C.R. 10.**

House concurrent resolution congratulating the "Timeless Oldies Variety Show" on its 200th weekly radio broadcast.

By Reps. Myers and others,

**H.C.R. 11.**

House concurrent resolution congratulating the 2018 Essex High School Hornets Division I boys' track and field championship team.

By Reps. Young and Strong,

By Senators Rodgers and Starr,

**H.C.R. 12.**

House concurrent resolution congratulating the 2018 Lake Region Union High School Rangers Division II championship baseball team.

By Reps. Myers and others,

**H.C.R. 13.**

House concurrent resolution congratulating Preston Gordon on winning the 2018 boys singles individual State tennis tournament.

By Reps. Lalonde and others,

**H.C.R. 14.**

House concurrent resolution congratulating the 2018 South Burlington Wolves Division I championship baseball team.

**Adjournment**

On motion of Senator Ashe, the Senate adjourned until ten o'clock in the morning on Wednesday, June 27, 2018.

---

**WEDNESDAY, JUNE 27, 2018**

Pursuant to Rule 8 of the Senate Rules, in the absence of the President and the President *pro tempore*, the time for convening of the Senate having been set at 10:00 A.M., the Senate was called to order by John H. Bloomer, Jr., Secretary of the Senate.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

**Message from the Governor**

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twenty-fifth day of June, 2018 he approved and signed a bill originating in the Senate of the following title:

**S. 1.** An act relating to co-payment limits for chiropractic care and physical therapy.

**Message from the House No. 12**

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 Governor has informed the House that on June 22, 2018, he approved and signed a bill originating in the House of the following title:

**H. 9.** An act relating to the fair repair of consumer electronic devices.

**Adjournment**

On motion of Senator MacDonald, the Senate adjourned until ten o'clock in the morning on Friday, June 29, 2018.

---

**FRIDAY, JUNE 29, 2018**

The Senate was called to order by the President.

**Devotional Exercises**

A moment of silence was observed in lieu of devotions.

---

**Message from the Governor**

A message was received from His Excellency, the Governor, by Ms. Jaye Pershing Johnson, Secretary of Civil and Military Affairs, as follows:

Mr. President:

I am directed by the Governor to inform the Senate that on the twenty-eighth day of June, 2018 he approved and signed bills originating in the Senate of the following titles:

- S. 4. An act relating to miscellaneous judiciary procedures.
- S. 5. An act relating to racial equity in State government.
- S. 6. An act relating to short-term rentals.

**Joint Senate Resolution Adopted on the Part of the Senate****J.R.S. 1.**

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

By the Committee on Rules,

**J.R.S. 1.** Joint resolution relating to final adjournment.

***Resolved by the Senate and House of Representatives:***

That the President of the Senate and the Speaker of the House of Representatives adjourn their respective Houses *sine die* on the twenty-ninth day of June, 2018.

**Secretary Directed to Inform the House of Completion of Business**

On motion of Senator Ashe, the Secretary was directed to inform the House that the Senate has completed the business of the Special Session and is ready to adjourn pursuant to the provisions of **J.R.S. 1**.

**Committee Appointed to Inform Governor of Completion of Business**

On motion of Senator Ashe, the President appointed the following two Senators as members of a committee to wait upon His Excellency, Philip B. Scott, the Governor, and inform him that the Senate has completed the business of the Special Session and is ready to adjourn pursuant to the provisions of **J.R.S. 1**:

Senator Benning  
Senator MacDonald

**Report of Committee**

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the

session and was ready to adjourn *sine die*, pursuant to the provisions of **J.R.S. 1**, performed the duties assigned to it.

#### **Final Adjournment**

On motion of Senator Ashe, at ten o'clock and thirteen minutes in the forenoon, the Senate adjourned *sine die*, pursuant to the provisions of **J.R.S. 1**.

#### **Messages Received After Final Adjournment**

After final adjournment, the following messages were received by the Secretary.

#### **Message from the House No. 13**

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

Mr. President:

I am directed to inform the Senate that:

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

**J.R.S. 1.** Joint resolution relating to final adjournment.

And has adopted the same in concurrence.

#### **Message from the House No. 14**

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 on its part completed the business of the Special Session and is ready to adjourn *sine die*, pursuant to the provisions of J.R.S. 1.

#### **Message from the House No. 15**

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 Governor has informed the House that on June 29, 2018, he did not approve and will allow to become law without his signature a bill originating in the House of the following title:

**H. 16.** An act relating to making appropriations for the support of government, financing education, and vital records.

**Text of Communication from Governor**

The text of the communication to the House from His Excellency, the Governor, setting forth his reasons for refusing to sign and *allowing to become law without his signature* **House Bill No. H. 16** to the House is as follows:

“June 29, 2018

The Honorable William M. MaGill  
Clerk of the Vermont House of Representatives  
115 State St.  
Montpelier, VT 05633

Dear Mr. MaGill:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I will allow H.16, *An act relating to making appropriations for the support of government, financing education and vital records* to become law without my signature for the reasons stated herein.

Vermonters elected me to focus state government on growing the economy, making Vermont more affordable and protecting the most vulnerable. This came with a clear understanding that I believe Vermonters need a break from unsustainable tax increases, state spending should not grow faster than wages and we must do all we can to confront the crisis of affordability many families and businesses now face.

Thanks to the many areas where the Legislature and I reached agreements – and the focus and hard work of dedicated state employees – state government is doing more and more each day to help Vermonters get ahead and keep more of what they earn, while working to deliver government services more efficiently and with better outcomes through a new focus on continuous improvement.

In my first 18 months in office, for example, we’ve avoided over \$70 million in projected property tax rate increases. This includes two consecutive years of level statewide rates for residential property tax payers. This success is due to the fiscal discipline of Vermont’s school boards, and the Administration’s work with the Legislature to reduce these rate increases.

While the debate over whether to provide relief from rising statewide property tax rates was, longer and, at times, more contentious than other issues we addressed, preventing more than \$70 million in property tax rate increases is one of the most meaningful pro-growth achievements of this term.

We have also taken many other steps to make Vermont more affordable for families and job creators this year, including:

- Eliminating the income tax on social security for low and middle-income households;
- Lowering income tax rates to ensure Vermonters do not see a \$30 million income tax increase because of federal tax changes;
- Expanding the Self-Managed Energy Efficiency Program to help large power consumers reduce their energy costs and be more competitive;
- Reducing unemployment insurance and workers' compensation costs by more than \$30 million, and;
- Holding the line against many other taxes and fees.

With the Legislature's support and the hard work of their committees, for the second consecutive year we have also ensured the state budget, across all funds, is not growing faster than wages.

Most importantly, our deliberations and debates on these policies, and other important investments and reforms, have resulted in measurable results.

For example, Vermont's job creators – supported by our fiscal discipline and a laser focus on policies that grow our economy and make Vermont more affordable for both families *and* employers – have added nearly 4,000 more Vermonters to the workforce<sup>i</sup> since the start of the year. Wages are rising.<sup>ii</sup> The economy is accelerating<sup>iii</sup>. We are seeing continued declines in human service caseloads. We've achieved nearly on-demand opiate treatment through our hub-and-spoke model. And, for the first time in many years, Vermont has a large (and growing) budget surplus.

The Legislature certainly shares in the credit for this important change in the trajectory of our state. I thank them for their contributions to this success and look forward to working with them to make more progress in the years ahead.

\*\*\*

There would be no better tool for attracting working-age families and job creators than to revitalize an education system that spends, by far, the most in the nation so that it also gets the best results.

I recognize and respect the effort communities have undertaken to respond to Act 46 of 2015. This work is important and has positioned most districts to take the next important step forward. However, we cannot rest on past achievements alone. We must continue to acknowledge that the current K-12 system (built to serve well over 100,000 children) is serving, on average, three fewer kids each day and about 30,000 fewer kids than 20 years ago. This



---

growing inefficiency is diverting dollars away from educational opportunities for our kids, driving inequality between schools and increasing the tax burden at an unsustainable rate.

This is why I am pushing to have the pace of our reform catch up with the pace of change in our population. And it is why I believe our education policies must be as innovative as the economy our kids will enter. Otherwise, our kids, our taxpayers and our economy will all continue to pay the price – and that is not acceptable to me.

I am pleased the Legislature adopted some elements of my multi-year plan to strengthen the education system. This includes the Legislature’s work to reform the special education delivery system, implementing a statewide health benefit for public school employees, and establishing a task force to improve Vermont’s staff-to-student ratios. In future years, efficiency savings from these reforms can be invested in stabilizing property tax rates, more and better childcare, technical education, K-12 programs, and higher education.

Looking ahead, if we all believe, as I do, that we should be providing the very best education in the country – and that this would be our strongest tool for recruiting working age families and job creators – we must continue to work together to redirect resources away from growing inefficiencies and back into educational opportunities for our children.

\*\*\*

Despite the many areas of agreement, the measurable progress we have made and a budget surplus that has grown above \$55 million in recent weeks (and is still growing), I must reiterate my disappointment that legislative leaders insisted on raising statewide non-residential property tax rates by 4.5-cents this year. A majority of these “non-residential” taxes are paid by Vermonters. They are our renters, small business owners, camp owners and more.

Even with multiple alternatives offered by my Administration and a bipartisan group of lawmakers, the majority was willing to delay action to threaten a shutdown of state government.

This is particularly disappointing because, as you know, I had reached an agreement with the House Speaker (which included the majority leadership) and the Minority Leader that would have achieved level rates for residential taxpayers for the second consecutive year, provided 100 percent of the rate relief for non-residential payers over two years, and invested in the teacher retirement fund. This agreement reflected the goals of both my Administration and the Legislature. Unfortunately, the Speaker took it off the table – after a bipartisan consensus had been forged and 24 hours after I briefed the Senate President Pro Tem on the framework of the agreement.

An additional compromise, offered by the chairwoman of the House Appropriations Committee, approved by the House Appropriation and House Ways and Means Committees, and that had bipartisan support, was also scuttled at the last minute.

While I do not support raising any tax rates in a year we have a \$55 million (and growing) surplus, this debate went as far as I could responsibly allow it to go this year. As Governor, I will not put the health and safety of Vermonters, or the stability of our economy, at risk. And I was left with no choice but to allow this bill to become law without my signature.

Make no mistake, however: I will continue to address property tax rates in the future – especially as our economy, and our revenue, continue to grow.

\*\*\*

To be clear, I support and value the vast majority of appropriations, initiatives and reforms in this bill. Many of them, such as those referenced above, are my proposals – and I am grateful to the Legislature for passing them. I am also pleased to have secured at least 75 percent of the property tax relief I set out to achieve for this year – and more than \$70 million over two years – and feel we are just at the beginning of having a valuable dialogue on the future of the Education Fund.

Nevertheless, I'm letting this bill become law without my signature because, ultimately, I cannot support the Legislature's decision to increase the statewide non-residential tax rate by 4.5-cents in a year we have a large, and growing, surplus.

Moving forward, I look forward to working with lawmakers, of all parties, who want to continue to grow the economy, make Vermont more affordable and protect the most vulnerable.

There is much more work to do to make Vermont more affordable and prosperous for families and businesses. And, after just 18 months, we've taken some very important steps in the right direction.

Sincerely,

/s/Philip B. Scott  
Governor

PBS/kp”

<sup>1</sup><http://labor.vermont.gov/wordpress/wp-content/uploads/LMI-Monthly-Jobs-PR.pdf>

<sup>2</sup><http://governor.vermont.gov/press-release/statement-governor-phil-scott-may-employment-numbers>

<sup>3</sup>[https://www.bea.gov/newsreleases/regional/spi/sqpi\\_newsrelease.htm](https://www.bea.gov/newsreleases/regional/spi/sqpi_newsrelease.htm)

<sup>4</sup>[https://www.ncci.com/Articles/Pages/II\\_Insights\\_QEB\\_Employment-Wage-Growth-Q4-2017.aspx](https://www.ncci.com/Articles/Pages/II_Insights_QEB_Employment-Wage-Growth-Q4-2017.aspx)

<sup>5</sup>[https://www.bea.gov/newsreleases/regional/gdp\\_state/qgdpstate\\_newsrelease.htm](https://www.bea.gov/newsreleases/regional/gdp_state/qgdpstate_newsrelease.htm)

---

**CERTIFICATION**

“STATE OF VERMONT

Office of the Secretary of the Senate  
Senate Chamber  
State House  
Montpelier, Vermont 05633

I hereby certify that the foregoing Journal is a true and correct record of the proceedings of the Senate of the State of Vermont for the Special Session of 2018, commencing on the 23rd day of May, 2018, and ending on the 29th day of June, 2018.

Attest:

/s/John H. Bloomer, Jr.

JOHN H. BLOOMER, JR.  
Secretary of the Senate”