Senators to serve on the Joint Information Technology Oversight Committee during this biennium:

Senator Brock Senator Pearson Senator Kitchel

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 considered joint resolution originating in the Senate of the following title:

J.R.S. 9. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

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

FRIDAY, FEBRUARY 1, 2019

The Senate was called to order by the President.

Devotional Exercises

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

Message from the House No. 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 House has passed House bills of the following titles:

H. 19. An act relating to sexual exploitation of a person in law enforcement officer custody.

H. 97. An act relating to fiscal year 2019 budget adjustments.

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

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

H.C.R. 28. House concurrent resolution congratulating Drake Hull of Rutland on winning the Vermont Golf Association's 2018 Vermont Amateur Golf Championship.

H.C.R. 29. House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship girls' cross-country team.

H.C.R. 30. House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship boys' soccer team.

H.C.R. 31. House concurrent resolution congratulating the 2018 Bellows Falls Union High School Terriers Division I championship field hockey team.

H.C.R. 32. House concurrent resolution congratulating Eric Maxham on establishing a new Vermont boys' soccer goal-scoring record and his father, Scott Maxham, on the conclusion of his outstanding West Rutland coaching career.

H.C.R. 33. House concurrent resolution congratulating the Champlain Valley Union High School Redhawks on winning their third consecutive boys' volleyball State championship.

H.C.R. 34. House concurrent resolution recognizing February 1, 2019 as Wear Red for Women Day at the State House.

H.C.R. 35. House concurrent resolution designating Wednesday, February 6, 2019 as Farm-to-School Awareness Day at the State House.

H.C.R. 36. House concurrent resolution congratulating the 2018 Woodstock Union High School Wasps Division III championship football team.

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

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

S.C.R. 3. Senate concurrent resolution in memory of Judge Francis Bernard McCaffrey Jr. of Weston.

And has adopted the same in concurrence.

Appointment of Senate Members to the Joint Transportation Oversight Committee

Pursuant to the provisions of 19 V.S.A. § 12b (Supp.), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Transportation Oversight Committee during this biennium:

Senator Mazza, *ex officio* Senator Kitchel, *ex officio* Senator Cummings, *ex officio*

Appointment of Senate Members to the Joint Legislative Justice Oversight Committee

Pursuant to the provisions of 2 V.S.A. § 801, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Legislative Justice Oversight Committee for terms of two years:

Senator Sears Senator Baruth Senator Lyons Senator McNeil Senator Hooker

Appointment of Senate Members to the Legislative Advisory Committee on the State House

Pursuant to the provisions of 2 V.S.A. § 651, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Legislative Advisory Committee on the State House for terms of two years:

Senator Rodgers Senator Benning Senator Mazza

Appointment of Senate Members to Legislative Information Technology Committee

Pursuant to the provisions of 2 V.S.A. § 751, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Legislative Information Technology Committee for the current biennium:

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Senator Pearson Senator Rodgers Senator Westman Senator Campion

Appointment of Senate Member to Petroleum Clean-Up Fund Advisory Committee

Pursuant to the provisions of 10 V.S.A. § 1941(e), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Petroleum Clean-Up Fund Advisory Committee during this biennium:

Senator Campion

Appointment of Senate Member to Pre-Kindergarten – 16 Council

Pursuant to the provisions of 16 V.S.A. § 2905(b)(15), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Pre-Kindergarten – 16 Council:

Senator Baruth

Appointment of Senate Member to Advisory Council on Special Education

Pursuant to the provisions of 16 V.S.A. § 2945(a)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Advisory Council on Special Education for a term of three years:

Senator Hardy

Appointment of Senate Members to the Joint Energy Committee

Pursuant to the provisions of 2 V.S.A. § 601, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Energy Committee for terms of two years ending on February 1, 2021

Senator Bray Senator Pearson Senator MacDonald Senator Parent

Election of Senate Members to Judicial Nominating Board

The President announced that the next order of business was the election of three members of the Senate to serve on the Judicial Nominating Board pursuant to 4 V.S.A. § 601.

Senator Ashe, on behalf of the Committee on Committees, placed in nomination the names of the following Senators to serve on the Board:

CHERYL MAZZARIELLO HOOKER

of Rutland District, as the majority party member of the Board.

BRIAN P. COLLAMORE

of Rutland District, as the minority party member of the Board.

JEANETTE K. WHITE

of Windham District, as the third member of the Board.

Senator Mazza of Grand Isle District seconded these nominations.

There being no further nominations, on motion of Senator Ashe, the nominations were closed, and the Secretary was instructed to cast one ballot for

CHERYL MAZZARIELLO HOOKER

of Rutland District, as the majority party member of the Board, for a term of two years or until her successor is elected and has qualified.

BRIAN P. COLLAMORE

of Rutland District, as the minority party member of the Board, for a term of two years or until his successor is elected and has qualified.

JEANETTE K. WHITE

of Windham District, as the third member of the Board, for a term of two years or until her successor is elected and has qualified.

Bills Introduced

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

S. 69.

By Senator Rodgers,

An act relating to regulating the use of wake boats on State waters.

To the Committee on Natural Resources and Energy.

S. 70.

By Senators Perchlik, Lyons, Pearson and Pollina,

An act relating to prohibiting the disposal of waste from hydraulic fracturing.

To the Committee on Natural Resources and Energy.

S. 71.

By Senators Perchlik and Ingram,

An act relating to eliminating the sales tax exemption for candy and using that money to support child care assistance.

To the Committee on Finance.

S. 72.

By Senator Sears,

An act relating to extreme risk protection orders.

To the Committee on Judiciary.

Bills Referred

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

H. 19.

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

To the Committee on Judiciary.

H. 97.

An act relating to fiscal year 2019 budget adjustments.

To the Committee on Appropriations.

Bill Passed

S. 14.

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

An act relating to extending the moratorium on home health agency certificates of need.

Joint Resolutions Adopted on the Part of the Senate

Joint Senate resolutions entitled:

J.R.S. 10. Joint resolution providing for the election of a Sergeant at Arms, an Adjutant and Inspector General, and three Trustees of the University of Vermont and State Agricultural College.

J.R.S. 11. Joint resolution establishing a procedure for the conduct of the election of UVM trustees by plurality vote by the General Assembly in 2019.

Having been placed on the Calendar for action, were taken up and adopted severally on the part of the Senate.

Senate Concurrent Resolution

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By Senators Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman and White,

By Reps. Pajala and others,

S.C.R. 3.

Senate concurrent resolution in memory of Judge Francis Bernard McCaffrey Jr. of Weston.

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. Potter and others,

H.C.R. 28.

House concurrent resolution congratulating Drake Hull of Rutland on winning the Vermont Golf Association's 2018 Vermont Amateur Golf Championship.

By Reps. Stevens and others,

H.C.R. 29.

House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship girls' cross-country team.

By Reps. Stevens and others,

H.C.R. 30.

House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship boys' soccer team. By Reps. Partridge and others,

H.C.R. 31.

House concurrent resolution congratulating the 2018 Bellows Falls Union High School Terriers Division I championship field hockey team.

By Reps. Potter and others,

H.C.R. 32.

House concurrent resolution congratulating Eric Maxham on establishing a new Vermont boys' soccer goal-scoring record and his father, Scott Maxham, on the conclusion of his outstanding West Rutland coaching career.

By Reps. Yantachka and others,

By Senators Lyons, Ashe, Baruth, Ingram, Pearson and Sirotkin,

H.C.R. 33.

House concurrent resolution congratulating the Champlain Valley Union High School Redhawks on winning their third consecutive boys' volleyball State championship.

By Rep. Krowinski,

By Senators Clarkson and Lyons,

H.C.R. 34.

House concurrent resolution recognizing February 1, 2019 as Wear Red for Women Day at the State House.

By Rep. Hooper,

H.C.R. 35.

House concurrent resolution designating Wednesday, February 6, 2019 as Farm-to-School Awareness Day at the State House.

By Reps. Harrison and Szott,

By Senators Clarkson, McCormack and Nitka,

H.C.R. 36.

House concurrent resolution congratulating the 2018 Woodstock Union High School Wasps Division III championship football team.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, February 5, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 9.

TUESDAY, FEBRUARY 5, 2019

The Senate was called to order by the President.

Devotional Exercises

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

Pledge of Allegiance

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

Bill Referred to Committee on Appropriations

S. 40.

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

An act relating to testing and remediation of lead in the drinking water of schools and child care facilities.

Joint Senate Resolutions Adopted on the Part of the Senate

J.R.S. 12.

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

By Senator Ashe,

J.R.S. 12. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 8, 2019, it be to meet again no later than Tuesday, February 12, 2019.

Proposed Amendment to the Constitution Introduced

The Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 4 was introduced, read the first time and referred:

By Senators Lyons, Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, MacDonald, Mazza, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Sears, Sirotkin, Starr and Westman,

PROPOSAL 4

Sec. 1. PURPOSE

(a) This proposal would amend the Constitution of the State of Vermont to ensure that every Vermonter enjoys equal treatment and respect under the law. The Constitution is our founding legal document stating the overarching values of our society. This amendment is in keeping with the values espoused by the current Vermont Constitution. Chapter I, Article 1 declares "That all persons are born equally free and independent, and have certain natural, inherent, and unalienable rights." Chapter I, Article 7 states "That government is, or ought to be, instituted for the common benefit, protection, and security of the people." The core value reflected in Article 7 is that all people should be afforded all the benefits and protections bestowed by the government, and that the government should not confer special advantages upon the privileged. This amendment would reassert the principles of equality and personal liberty

reflected in Articles 1 and 7 and ensure that government does not create or perpetuate the legal, social, or economic inferiority of any class of people. This proposed constitutional amendment is not intended to limit the scope of rights and protections afforded by Article 7 or any other provision in the Vermont Constitution.

(b) Providing for equality of rights as a fundamental principle in the Constitution would serve as a foundation for protecting the rights and dignity of historically marginalized populations and addressing existing inequalities. These amendments would reassert the broad principles of personal liberty and equality reflected in the Constitution of the State of Vermont with authoritative force, longevity, and symbolic importance.

Sec. 2. Article 22 of Chapter I of the Vermont Constitution is added to read:

Article 22. [Equality of rights]

That the people are guaranteed equal protection under the law. The State shall not deny equal treatment and respect under the law on account of a person's race, ethnicity, sex, religion, disability, sexual orientation, gender identity, or national origin. Nothing in this Article shall be interpreted or applied to prevent the adoption or implementation of measures intended to provide equality of treatment and opportunity for members of groups that have historically been subject to discrimination.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of

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November 2022 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

To the Committee on Judiciary.

Bills Introduced

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

S. 73.

By Senators Lyons, Cummings, Ingram, McCormack and Westman,

An act relating to licensure of ambulatory surgical centers.

To the Committee on Health and Welfare.

S. 74.

By Senators Balint, Campion and Clarkson,

An act relating to fair debt collection and consumer protection.

To the Committee on Judiciary.

S. 75.

By Senators Lyons and McCormack,

An act relating to a cap and trade program for greenhouse gas emissions caused by transportation, heating, and other energy use.

To the Committee on Natural Resources and Energy.

S. 76.

By Senators McCormack and Benning,

An act relating to the requirement to pass a civics course for high school graduation.

To the Committee on Education.

S. 77.

By Senator Starr,

An act relating to creating an exemption from the land gains tax for land sold to a governmental entity.

To the Committee on Finance.

S. 78.

By Senator Sirotkin,

An act relating to lobbying reporting dates.

To the Committee on Government Operations.

S. 79.

By Senator Starr,

An act relating to miscellaneous housing issues.

To the Committee on Judiciary.

S. 80.

By Senators Pearson and Sirotkin,

An act relating to certificates of need for hospital leases and an opt-out consent policy for the health information exchange.

To the Committee on Health and Welfare.

Standing Committee Appointed

The President, on behalf of the Committee on Committees, reported the appointment of a standing committee, as follows:

Sexual Harassment Panel

At Call

Senator Balint Benning Clarkson Parent Hooker Hardy

Appointment of Senate Member to the Capitol Complex Security Advisory Committee

Pursuant to the provisions of 2 V.S.A. § 991(b), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Capitol Complex Security Advisory Committee for a term of two years:

Senator Benning

Appointment of Senate Member to Public Transit Advisory Council

Pursuant to the provisions of 24 V.S.A. § 5084, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Public Transit Advisory Council during this biennium:

Senator Kitchel

Appointment of Senate Member to Recreational Facilities Grants Program

Pursuant to the provisions of 24 V.S.A. § 5605(b), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Recreational Facilities Grants Program for a term of two years:

Senator Rodgers

Appointment of Senate Member to Regional Economic Development Grant Advisory Committee

Pursuant to the provisions of 24 V.S.A. § 5607, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Regional Economic Development Grant Advisory Committee for a term of two years:

Senator Clarkson

Appointment of Senate Members to the Review Board on Retail Sales of Electric Energy

Pursuant to the provisions of 30 V.S.A. § 212b, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Review Board on Retail Sales of Electric Energy during this biennium:

Senator Ashe, President *pro tempore, ex officio* Senator Balint, Majority Leader, *ex officio* Senator Benning, Minority Leader, *ex officio* Senator Pearson

Appointment of Senate Members to Sunset Advisory Committee

Pursuant to the provisions of 3 V.S.A. § 268(b)(1)(B), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Sunset Advisory Committee for the current biennium:

Senator White, Co-Chair Senator Collamore

Appointment of Senate Members to the Transportation Enhancement Grant Committee

Pursuant to the provisions of Sec. 41v(a) of No. 18 of Acts of 1999, the President, on behalf of the Committee on Committees, announced the

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appointment of the following Senators to serve on the Transportation Enhancement Grant Committee during this biennium:

Senator Mazza Senator Kitchel

Vermont Sentencing Commission

Pursuant to the provisions of Sec. 16(b) of No. 192 of the Acts of 2006, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Vermont Sentencing Commission during this biennium:

Senator Sears, ex officio

Vermont State Council on Interstate Adult Offender Supervision

Pursuant to the provisions of 28 V.S.A. § 1354(a)(1), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Vermont State Council on Interstate Adult Offender Supervision during this biennium:

Senator Sears

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 passed House bills of the following titles:

H. 3. An act relating to ethnic and social equity studies standards for public schools.

H. 16. An act relating to boards and commissions.

H. 47. An act relating to the taxation of electronic cigarettes.

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

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

J.R.S. 10. Joint resolution providing for the election of a Sergeant at Arms, an Adjutant and Inspector General, and three Trustees of the University of Vermont and State Agricultural College.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 6, 2019.

WEDNESDAY, FEBRUARY 6, 2019

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

Devotional Exercises

Devotional exercises were conducted by the Reverend Katelyn Macrae of Richmond.

Joint Resolution Placed on Calendar

J.R.S. 13.

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

By Committee on Institutions,

J.R.S. 13. Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Okemo Limited Liability Company and to authorize a conveyance of Woodchuck Mountain in Newbury as an alternative to the conveyance authorized in 2002 Acts and Resolves No. 149, Sec. 83(a)(3).

Whereas, the State of Vermont and Okemo Limited Liability Company (Okemo or Lessee) are parties to that certain lease dated November 15, 1974, as amended, which authorizes the use of State-owned land located in the Okemo State Forest as a ski resort (the Lease), and

Whereas, at the Request of the Department of Forests, Parks and Recreation, the parties to the Lease entered into a separate agreement to amend certain provisions of the Lease, pending authorization by the General Assembly, and

Whereas, during the 2001–2002 biennium, the General Assembly authorized the Department to convey a parcel consisting of 110 acres, more or less, in the town of Newbury, known as Woodchuck Mountain, to the Town of Newbury, subject to a grant of development rights and a conservation easement to be conveyed by the Department to the Upper Valley Land Trust, and

Whereas, to date, the Town of Newbury has declined to accept the conveyance of this parcel, and the Department wishes to establish a deadline of

May 31, 2019 for the Town of Newbury to accept or decline conveyance of this parcel under the terms of 2002 Acts and Resolves No. 149, Sec. 83(a)(3), and

Whereas, the Department desires to conserve this parcel for forestry, conservation, and public recreation purposes, *now therefore be it*

Resolved by the Senate and House of Representatives:

<u>First</u>: That the Commissioner of Forests, Parks and Recreation is authorized to amend the Lease as follows:

(1) Article 6 of the Lease, in part, requires Okemo to pay a rental fee based upon a calculation as set forth in Article 6 using linear feet of lifts and gross lift ticket sales located on the leased premises and two and one-half percent on all gross receipts from restaurants, sport shops, and warming shelters constructed and operated by the Lessee. The State and Okemo now agree to apply, as an addition to the existing rental fee, a five percent rental fee to the Lessee's gross receipts for access fees for any additional activities occurring, in whole or in part, on the leased premises. Additional activities are the Lessee's existing mountain biking activities and any new commercial recreational activities occurring on the leased premises. To the extent additional activities include use of lifts, the gross receipts for access fees shall be multiplied by the following ratio prior to the application of the five percent rental fee: (linear feet of lifts on the leased premises used for the additional activity) / (total linear feet of all lifts used for the additional activity). The Lessee agrees that at no time shall the percent determined by (the linear feet of lifts on State land) / (the total linear feet of all lifts owned by the Lessee) be less than twenty percent. To the extent additional activities do not include use of the lifts, the Lessee shall pay the five percent fee based upon the proportion of such additional activities occurring on the leased premises.

(2) Okemo shall indemnify and hold harmless the State and shall provide a general liability insurance policy as follows:

(a) Unless an event arises solely out of the State's gross negligence or willful misconduct, Okemo shall defend, indemnify, and save harmless the State, its agents, servants, and officials from any damages and any claims arising out of or related to the use, maintenance, or operation of lifts or the leased premises.

(b) Okemo shall carry general liability insurance in a policy or policies at all times with a minimum coverage of at least \$10,000,000 per occurrence and \$20,000,000 in aggregate, naming the State and additional parties, as noted in Article 9 of the Lease, as additional insureds under such coverage. Not more than once every five years, the State may review required

insurance amounts set forth in this paragraph and may increase such insurance amounts to amounts that are reasonably representative of the then current market for insurance amounts for similar operations as reasonably determined by the State.

(3) Subject to the provisions of Section 14 of the Lease, Okemo shall provide access to the public to the leased premises, including for uphill travel on the ski trails located on the leased premises, subject to Okemo's right to impose restrictions on the public's access for uphill travel and other public access in accordance with Section 14 of the Lease. Okemo shall establish a written uphill travel policy consistent with these terms and shall provide a copy to the State and make the policy publicly available.

(4) Other than a Permitted Transfer, Okemo (or following a Permitted Transfer, any Permitted Transferees) shall not assign the Lease or engage in a transaction by way of merger, consolidation, or sale (singly or in combination), involving the transfer of equity securities constituting more than one-half of the total voting securities or interests of Okemo (or if applicable, its Permitted Transferees) without the prior written consent of the State. Notwithstanding the foregoing, an assignment of the Lease by Okemo to or any transaction involving the transfer of equity securities of Okemo to any direct or indirect wholly owned subsidiary of Vail Holdings, Inc. shall be a "Permitted Transfer," provided that the Guaranty remains in full force and effect following such Permitted Transfer.

(5) The fiscal year for Okemo ends on July 31 each calendar year. References in Section 6 of the Lease to fiscal year shall be amended to refer to July 31.

(6) Upon termination of the Lease, Okemo or its successors or assigns may remove all of Okemo's tangible personal property. If such tangible personal property is removed, Okemo or its successors or assigns shall remove such tangible personal property so as to minimize disturbance or damage to the leased premises, except for any reasonable use and wear, damage by casualty, or eminent domain or damage resulting from the actions of the State. Okemo or its successors or assigns shall restore the area where the tangible personal property is removed so as to leave those area(s) of the leasehold in a safe, stable, and acceptable condition to the State.

(7) Appendix B of the Lease shall be amended and replaced in its entirety with a new Appendix B that accurately reflects the total linear feet of existing lifts on State land and total linear feet of lifts owned by the Lessee.

<u>Second</u>: (1) That the Commissioner of Forests, Parks and Recreation is authorized to convey 110 acres, more or less, located in the Town of Newbury

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and known as the Woodchuck Mountain parcel that the Department acquired as a bequest from the Enrita Carlson estate, to the Upper Valley Land Trust, should the Town of Newbury decline to accept the parcel from the Department by May 31, 2019. The Commissioner is also authorized to convey a grant of development rights and a conservation easement to another qualified conservation organization or municipality or to include deed restrictions in the deed to the Upper Valley Land Trust, restricting development rights and requiring that the use of the Woodchuck Mountain parcel be limited to forestry, conservation, and public recreation purposes.

(2) The authorization set forth in 2002 Acts and Resolves No. 149, Sec. 83(a)(3) for the Department to convey the Woodchuck Mountain parcel to the Town of Newbury, subject to a grant of development rights and a conservation easement to be simultaneously conveyed to the Upper Valley Land Trust, shall remain in full force and effect should the Town of Newbury accept conveyance of the Woodchuck Mountain parcel by May 31, 2019, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Commissioner of Forests, Parks and Recreation.

Thereupon, under the rules, the joint resolution was placed on the Calendar for notice tomorrow.

Bills Introduced

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

S. 81.

By Senators McCormack, Bray, Hardy, Lyons, Pearson, Rodgers, Starr and Westman,

An act relating to prescribing by doctoral-level psychologists.

To the Committee on Health and Welfare.

S. 82.

By Senators Bray, Balint, Campion, Clarkson, Hardy, McCormack, Pollina, Rodgers, Sirotkin and White,

An act relating to equal pay.

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

S. 83.

By Senators Sirotkin, Balint, Baruth and Clarkson,

An act relating to prohibiting agreements that prevent an employee from working for the employer following the settlement of a discrimination claim.

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

Committee Bill 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 tomorrow:

S. 84.

By the Committee on Transportation,

An act relating to emissions inspections.

Bills Referred

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

H. 3.

An act relating to ethnic and social equity studies standards for public schools.

To the Committee on Education.

H. 16.

An act relating to boards and commissions.

To the Committee on Government Operations.

H. 47.

An act relating to the taxation of electronic cigarettes.

To the Committee on Finance.

Standing Committee Appointed

The President, on behalf of the Committee on Committees, reported the appointment of a standing committee, as follows:

Ethics

At Call

Senator Benning, Chair Campion, Vice-Chair Brock Cummings Pollina

Appointment of Senate Members of the Legislative Committee on Administrative Rules

Pursuant to the provisions of 3 V.S.A. §817, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Legislative Committee on Administrative Rules for terms of two years ending February 1, 2021:

Senator Bray Senator Benning Senator MacDonald Senator Lyons

Appointment of Senate Member to Nuclear Decommissioning Citizens Advisory Panel

Pursuant to the provisions of 18 V.S.A. § 1700, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Nuclear Decommissioning Citizens Advisory Panel for a term of two years ending on January 15, 2021:

Senator Campion

Appointment of Senate Members to the Vermont Citizens Advisory Committee on Lake Champlain's Future

Pursuant to the provisions of 10 V.S.A. § 1960, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Committee on Lake Champlain's Future for the current biennium:

Senator Lyons Senator Brock

Commission on International Trade and State Sovereignty

Pursuant to the provisions of 3 V.S.A. § 23(b)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Commission on International Trade and State Sovereignty for a term of two years:

Senator Lyons, designee

Appointment of Senate Member to the Vermont Veterans' Memorial Cemetery Advisory Board

Pursuant to the provisions of 20 V.S.A. § 1581(a)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Vermont Veterans' Memorial Cemetery Advisory Board for a term of two (2) years:

Senator MacDonald

Appointment of Senate Member to the Vermont Web Portal Board

Pursuant to the provisions of 22 V.S.A. § 952(a)(8) (Supp. 2008), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Vermont Web Portal Board for this biennium:

Senator Campion

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Thursday, February 7, 2019.

THURSDAY, FEBRUARY 7, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Diane Nancekivell of Middlebury.

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 joint resolution originating in the Senate of the following title:

J.R.S. 12. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

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Bill Referred to Committee on Finance

J.R.S. 13.

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

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Okemo Limited Liability Company and to authorize a conveyance of Woodchuck Mountain in Newbury as an alternative to the conveyance authorized in 2002 Acts and Resolves No. 149, Sec. 83(a)(3).

Message from the Governor Appointments Referred

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

The nomination of

Olsen, Oliver K. of South Londonderry - Member of the State Board of Education from March 1, 2018 to February 28, 2024.

To the Committee on Education.

The nomination of

Butler, Wendy of New Haven - Member of the Fish and Wildlife Board - from June 1, 2018 to February 28, 2022.

To the Committee on Natural Resources and Energy.

The nomination of

McCarthy, Bryan of North Hero - Member of the Fish and Wildlife Board - from June 1, 2018 to February 29, 2024.

To the Committee on Natural Resources and Energy.

The nomination of

Fishman, Noah of Waterbury - Member of the Travel Information Council - from July 20, 2018 to February 28, 2019.

To the Committee on Transportation.

The nomination of

Dement, Jacqueline of Burlington - Member of the Travel Information Council - from July 20, 2018 to February 28, 2019. To the Committee on Transportation.

The nomination of

Farrell, Alex of Burlington - Commissioner of the Vermont State Housing Authority - from February 1, 2019 to February 28, 2023.

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

The nomination of

Loranger, Pamela of Colchester - Member of the Transportation Board - March 1, 2019, to February 28, 2022.

To the Committee on Transportation.

The nomination of

Kittell, Dana of East Fairfield - Member of the Vermont Economic Development Authority - from February 5, 2019 to June 30, 2024.

To the Committee on Finance.

The nomination of

Howrigan, Harold J. of Sheldon - Member of the Current Use Advisory Board - from February 5, 2019 to January 31, 2022.

To the Committee on Natural Resources and Energy.

The nomination of

Shields, Bruce of Hyde Park - Member of the Current Use Advisory Board - from February 5, 2019 to January 31, 2022.

To the Committee on Natural Resources and Energy.

The nomination of

Hastings, Walter of South Royalton - Member of the Current Use Advisory Board - from February 5, 2019 to January 31, 2022.

To the Committee on Natural Resources and Energy.

The nomination of

Donohue, Mike of Shelburne - Member of the Human Services Board - from February 10, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Saudek, Karen of Montpelier - Member of the State Labor Relations Board - from October 11, 2018 to June 30, 2021. To the Committee on Economic Development, Housing and General Affairs.

The nomination of

Feinberg, Caryn of Shelburne - Member of the Vermont State Housing Authority - from July 20, 2019 to February 28, 2023.

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

The nomination of

Richardson, Cory of Waterbury - Member of the Vermont State Housing Authority - from July 20, 2019 to February 28, 2023.

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

The nomination of

Gregoritsch, Mark of Essex - Member of the Occupational Safety and Health Review Board - from October 12, 2018 to February 28, 2023.

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

The nomination of

Averill, David of Burlington - Member of the State Board of Health - from October 19, 2018 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Osman, Adan of Burlington - Member of the Children and Family Council for Prevention Programs - from October 25, 2018, to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Courtois, Kyle of Georgia - Member of the Board of Education - from July 1, 2018 to June 30, 2020.

To the Committee on Education.

The nomination of

Filipek, John of Jericho - Member of the State Police Advisory Commission - from July 1, 2018 to February 28, 2022.

To the Committee on Government Operations.

The nomination of

French, Daniel of Manchester Center - Secretary of the Agency of Education - from August 13, 2018 to February 28, 2019.

To the Committee on Education.

The nomination of

Stephens, Mary Luci of Goshen - Member of the Parole Board - from August 28, 2018 to February 28, 2021.

To the Committee on Institutions.

The nomination of

Abdelghani, Mona of White River Junction - Member of the Children and Family Council for Prevention Programs - from August 24, 2018 to February 29, 2020.

To the Committee on Health and Welfare.

The nomination of

Manning, Morgan of Johnson - Member of the Children and Family Council for Prevention Programs - from August 24, 2018 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Morris, Elizabeth of Richmond - Member of the Children and Family Council for Prevention Programs - from August 15, 2018 to February 29, 2020.

To the Committee on Health and Welfare.

The nomination of

Mullin, Kevin J. of Rutland - Chair of the Green Mountain Care Board - from August 17, 2018 to February 29, 2024.

To the Committee on Health and Welfare.

The nomination of

Irwin, Rebekah of Middlebury - Member of the Board of Libraries - from September 19, 2018 to February 29, 2020.

To the Committee on Education.

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The nomination of

Boulanger, David of Hinesburg - Member of the State Labor Relations Board - from October 1, 2018 to June 30, 2024.

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

The nomination of

Touchette, Michael P. of Colchester - Commissioner of the Department of Corrections - from December 22, 2018 to February 28, 2019.

To the Committee on Institutions.

The nomination of

Baser, Fred of Bristol - Commissioner of the Vermont Housing Finance Agency - from February 1, 2019 to January 31, 2022.

To the Committee on Finance.

The nomination of

Dwyer, Carolyn of Essex Junction - Member, Board of Trustees of the University of Vermont and State Agricultural College - from March 1, 2019 to February 28, 2025.

To the Committee on Education.

The nomination of

Harrison, Wendy of Brattleboro - Member of the Transportation Board - from March 1, 2019 to February 28, 2022.

To the Committee on Transportation.

The nomination of

Audet, Marie of Bridport - Member of the Vermont Housing and Conservation Board - from February 1, 2019 to January 31, 2022.

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

The nomination of

Westervelt, Jan of Cabot - Member of the Human Services Board - from February 1, 2019 to February 28, 2023.

To the Committee on Health and Welfare.

The nomination of

Turner, Donald, Jr. of Milton - Member of the Natural Resources Board - from February 1, 2019 to January 31, 2023.

To the Committee on Natural Resources and Energy.

The nomination of

Fitzgerald, James of St. Albans - Member of the Transportation Board - from February 1, 2019 to February 28, 2021.

To the Committee on Transportation.

The nomination of

Zalinger, Philip H. of Montpelier - Member of the Transportation Board - from March 1, 2019 to February 28, 2022.

To the Committee on Transportation.

The nomination of

Buckley, Katherine of Guilford - Commissioner of the Vermont Housing Finance Agency - from February 2, 2018 to January 31, 2023.

To the Committee on Finance.

The nomination of

Coates, David of Colchester - Director of the Vermont Municipal Bond Bank - from February 1, 2019 to January 31, 2021.

To the Committee on Finance.

The nomination of

McKenzie, Mary Alice of Colchester - Director of the Vermont Municipal Bond Bank - from February 1, 2019 to January 31, 2021.

To the Committee on Finance.

The nomination of

Watkins, Timothy of Colchester - Member of the Electricians Licensing Board - from January 1, 2019 to January 30, 2021.

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

The nomination of

Bourdon, Kevin of Vergennes - Member of the Electricians' Licensing Board - from January 1, 2019 to June 30, 2021.

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

The nomination of

Sexton, Ryan of Montpelier - Member of the Board of Medical Practice - from January 1, 2019 to December 31, 2023.

To the Committee on Health and Welfare.

The nomination of

Stearns-Parr, Gillian of South Burlington - Member of the Board of Medical Practice - from January 1, 2019 to December 31, 2023.

To the Committee on Health and Welfare.

The nomination of

LeCours, Leo of Jericho - Member of the Board of Medical Practice - from January 1 2019 to December 31, 2023.

To the Committee on Health and Welfare.

Burgee, Gary of Randolph - Member of the Board of Medical Practice - from January 1 2019 to December 31, 2023.

To the Committee on Health and Welfare.

The nomination of

Willard, Alan of Woodstock - Member of the State Labor Relations Board - from January 1, 2019 to June 30, 2024.

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

The nomination of

Magnan, Mark of Fairfield - Member of the Vermont Economic Development Authority - from January 1, 2019 to June 30, 2024.

To the Committee on Finance.

The nomination of

Squirrell, Sarah of Waterbury Center - Commissioner of the Department of Mental Health - from January 1, 2019 to February 28, 2019.

To the Committee on Health and Welfare.

The nomination of

Minoli, Wanda of Monpelier - Commissioner of the Department of Motor Vehicles - from October 2, 2018 to February 28, 2019.

To the Committee on Transportation.

The nomination of

Laackman, Allyson of Burlington - Member of the Vermont Housing and Conservation Board - from January 10, 2019 to January 31, 2020.

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

The nomination of

Miller, Dale of Colchester - Member of the State Workforce Development Board - from August 3, 2018 to June 30, 2019.

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

Joint Resolution Placed on Calendar

J.R.S. 14.

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

By Senators Balint, Ashe, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, and White,

J.R.S. 14. Joint resolution condemning the murder of Washington Post columnist Jamal Khashoggi and affirming the central importance of freedom of the press.

Whereas, Jamal Khashoggi was a prominent Saudi journalist who once served as an advisor to his nation's government, and

Whereas, despite his status in Saudi society, Jamal Khashoggi fell out of favor with senior Saudi officials and opted for self-imposed exile in the United States, and in 2017 he became a columnist for the *Washington Post*, writing critically about Saudi Crown Prince Mohammed bin Salman, and

Whereas, on October 2, 2018, Jamal Khashoggi entered the Saudi consulate in Istanbul, Turkey, on a family matter and was killed, and U.S. intelligence officials have concluded with "high confidence" that the crown prince of Saudi Arabia ordered the killing, and

Whereas, following a classified CIA briefing on December 4, 2018, a bipartisan group of U.S. Senators concluded that Saudi Crown Prince Mohammed bin Salman ordered the killing, and

Whereas, Jamal Khashoggi's remains have yet to be found, and

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Whereas, the killing of an American-resident journalist was an appalling act that Saudi Arabia acknowledges was deliberate, and

Whereas, despite the CIA's strong evidence to the contrary, Saudi Arabia claims that the killing was not authorized, but was the act of a group of rogue Saudi-government employees, and

Whereas, the Khashoggi death occurred at a time when press freedom is under increased threat both domestically and internationally, and

Whereas, Freedom House, in its recently issued report, "State of Global Press Freedom 2017–2018," commented that "five years ago, global pressure on the media did not appear to affect the United States or the established democracies of Europe in any significant way" but that now "populist leaders constitute a major threat to free expression in these open societies," and

Whereas, Reporters Without Borders has observed that "more and more democratically-elected leaders no longer see the media as part of democracy's essential underpinning," and

Whereas, a recent Quinnipiac University poll found that 26 percent of American voters view the press as the enemy, and

Whereas, the critical importance of the guarantees of a free press enshrined in the First Amendment to the U.S. Constitution is truly apparent, and

Whereas, internationally, a prominent example of an attack on one of the world's most venerable media organizations is the recent jailing for seven-year terms of two Myanmar-based Reuters reporters, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly condemns the murder of *Washington Post* columnist Jamal Khashoggi and affirms the central importance of freedom of the press, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Embassy of the Kingdom of Saudi Arabia, the Reporters Committee for Freedom of the Press, Freedom House, and Reporters Without Borders.

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

Bills Introduced

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

S. 85.

By Senators Westman, Pearson and Starr,

An act relating to the valuation of landlocked parcels.

To the Committee on Finance.

S. 86.

By Senators Lyons, Ingram, Baruth and Clarkson,

An act relating to increasing the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age.

To the Committee on Health and Welfare.

Third Reading Ordered

S. 11.

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

An act relating to limiting senatorial districts to a maximum of three members.

Reported that the bill ought to pass.

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

Adjournment

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

FRIDAY, FEBRUARY 8, 2019

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

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 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 House has considered joint resolution originating in the Senate of the following title:

J.R.S. 11. Joint resolution establishing a procedure for the conduct of the election of UVM trustees by plurality vote by the General Assembly in 2019.

And has adopted the same in concurrence.

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 passed a House bill of the following title:

H. 39. An act relating to the extension of the deadline of school district mergers required by the State Board of Education.

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

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

H.C.R. 37. House concurrent resolution designating Thursday, February 14, 2019 as Suicide Prevention Awareness Day at the State House.

H.C.R. 38. House concurrent resolution commemorating the bicentennial of Norwich University.

H.C.R. 39. House concurrent resolution congratulating the Milton High School Yellowjackets on achieving a fourth consecutive Division II girls' soccer championship.

H.C.R. 40. House concurrent resolution in memory of former Berlin and Northfield Chief of Police William Michael Jennings.

H.C.R. 41. House concurrent resolution in memory of Scott Skinner of Middlesex.

H.C.R. 42. House concurrent resolution in memory of Cornelius Hogan of Plainfield.

H.C.R. 43. House concurrent resolution congratulating the Vermont Center for Independent Living on its 40th anniversary.

H.C.R. 44. House concurrent resolution in memory of community volunteer and restorative justice advocate Susan Kendall Wisehart of Waterville.

H.C.R. 45. House concurrent resolution congratulating the 2018 class of Eagle Scouts in the State of Vermont.

H.C.R. 46. House concurrent resolution honoring Mariette Bock for her extraordinary devotion to the Whiting Library in Chester.

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

Bills Introduced

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

S. 87.

By Senator Sirotkin,

An act relating to updating Vermont's rooms tax collection practices.

To the Committee on Finance.

S. 88.

By Senators Sirotkin, Balint, Baruth, Bray, Clarkson, Cummings, Hardy, Hooker, Ingram, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina and White,

An act relating to paid family leave.

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

S. 89.

By Senator Cummings,

An act relating to allowing reflective health benefit plans at all metal levels.

To the Committee on Finance.

S. 90.

By Senators Ingram, Balint, Clarkson, Hardy, Lyons and Perchlik,

An act relating to establishing incentives for early learning professionals and improving access to child care.

To the Committee on Health and Welfare.

S. 91.

By Senators Bray, Balint, Campion, Clarkson, MacDonald, Pollina and Sirotkin,

An act relating to electric companies and broadband Internet access service.

To the Committee on Finance.

S. 92.

By Senators Clarkson, Balint, Campion, Hardy, Hooker, Ingram, Lyons, Pollina and Sirotkin,

An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

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

Bill Referred

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

H. 39.

An act relating to the extension of the deadline of school district mergers required by the State Board of Education.

To the Committee on Education.

Bill Passed

S. 11.

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

An act relating to limiting senatorial districts to a maximum of three members.

Third Reading Ordered

S. 84.

Senate committee bill entitled:

An act relating to emissions inspections.

Having appeared on the Calendar for notice for one day, was taken up.

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

Joint Resolution Adopted on the Part of the Senate

J.R.S. 14.

Joint Senate resolution entitled:

Joint resolution condemning the murder of Washington Post columnist Jamal Khashoggi and affirming the central importance of freedom of the press. Having been placed on the Calendar for action, was taken up and adopted on the part of the Senate.

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 All Members of the House,

H.C.R. 37.

House concurrent resolution designating Thursday, February 14, 2019 as Suicide Prevention Awareness Day at the State House.

By Reps. Donahue and others,

By Senators Cummings, Perchlik and Pollina,

H.C.R. 38.

House concurrent resolution commemorating the bicentennial of Norwich University.

By Reps. Mattos and others,

H.C.R. 39.

House concurrent resolution congratulating the Milton High School Yellowjackets on achieving a fourth consecutive Division II girls' soccer championship.

By Reps. Donahue and others,

H.C.R. 40.

House concurrent resolution in memory of former Berlin and Northfield Chief of Police William Michael Jennings.

By Reps. Ancel and others,

By Senators Cummings, Perchlik and Pollina,

H.C.R. 41.

House concurrent resolution in memory of Scott Skinner of Middlesex.

By Reps. Ancel and others,

By Senators Collamore, Cummings, Hardy, Kitchel, Lyons, Nitka, Perchlik, Pollina, Sears, Starr and Westman,

H.C.R. 42.

House concurrent resolution in memory of Cornelius Hogan of Plainfield.

By Rep. Pugh,

H.C.R. 43.

House concurrent resolution congratulating the Vermont Center for Independent Living on its 40th anniversary.

By Reps. Rogers and others,

By Senator Westman,

H.C.R. 44.

House concurrent resolution in memory of community volunteer and restorative justice advocate Susan Kendall Wisehart of Waterville.

By Reps. Fagan and others,

By All Members of the Senate,

H.C.R. 45.

House concurrent resolution congratulating the 2018 class of Eagle Scouts in the State of Vermont.

By Reps. Forguites and others,

H.C.R. 46.

House concurrent resolution honoring Mariette Bock for her extraordinary devotion to the Whiting Library in Chester.

Adjournment

On motion of Senator Mazza, the Senate adjourned, to reconvene on Tuesday, February 12, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 12.

TUESDAY, FEBRUARY 12, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

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

Bill Referred to Committee on Appropriations

Н. 3.

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

An act relating to ethnic and social equity studies standards for public schools.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 15.

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

By Senator Ashe,

J.R.S. 15. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 15, 2019, it be to meet again no later than Tuesday, February 19, 2019.

Proposed Amendment to the Constitution Introduced

The Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 5 was introduced, read the first time and referred:

By Senators Ashe, Balint, Lyons and Sears,

PROPOSAL 5

Sec. 1. PURPOSE

(a) This proposal would amend the Constitution of the State of Vermont to ensure that every Vermonter is afforded personal reproductive liberty. The Constitution is our founding legal document stating the overarching values of our society. This amendment is in keeping with the values espoused by the current Vermont Constitution. Chapter I, Article 1 declares "That all persons are born equally free and independent, and have certain natural, inherent, and unalienable rights." Chapter I, Article 7 states "That government is, or ought to be, instituted for the common benefit, protection, and security of the people." The core value reflected in Article 7 is that all people should be afforded all the benefits and protections bestowed by the government, and that the government should not confer special advantages upon the privileged. This amendment would reassert the principles of equality and personal liberty reflected in Articles 1 and 7 and ensure that government does not create or perpetuate the legal, social, or economic inferiority of any class of people. This proposed constitutional amendment is not intended to limit the scope of rights and protections afforded by Article 7 or any other provision in the Vermont Constitution.

(b) The right to reproductive liberty is central to the exercise of personal autonomy and involves decisions people should be able to make free from compulsion of the State. Enshrining this right in the Constitution is critical to ensuring equal protection and treatment under the law and upholding the right of all people to health, dignity, independence, and freedom.

Sec. 2. Article 22 of Chapter I of the Vermont Constitution is added to read:

Article 22. [Personal reproductive liberty]

That the people are guaranteed the liberty and dignity to determine their own life's course. The right to personal reproductive autonomy is central to the liberty protected by this Constitution and shall not be denied or infringed unless justified by a compelling State interest achieved by the least restrictive means.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2022 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

To the Committee on Health and Welfare.

Bills Introduced

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

S. 93.

By Senator Pearson,

An act relating to the creation of an income tax deduction for union dues.

To the Committee on Finance.

S. 94.

By Senators Hardy, Balint, Bray, Clarkson, Ingram, Lyons, Pearson, Perchlik and Pollina,

An act relating to expanding Medicaid beneficiaries' access to dental care and establishing the VDent dental assistance program.

To the Committee on Health and Welfare.

S. 95.

By Senator Cummings,

An act relating to municipal utility capital investment.

To the Committee on Finance.

S. 96.

By Senators Bray, Lyons, Balint and Starr,

An act relating to establishing a Clean Water Assessment to fund State water quality programs.

To the Committee on Natural Resources and Energy.

S. 97.

By Senator Rodgers,

An act relating to hearing protection while hunting.

To the Committee on Natural Resources and Energy.

S. 98.

By Senators Pearson and Westman,

An act relating to the deferral of property taxes for taxpayers 65 years of age or older.

To the Committee on Finance.

S. 99.

By Senator White,

An act relating to spousal support and maintenance reform.

To the Committee on Judiciary.

S. 100.

By Senator Pearson,

An act relating to prevailing wage requirements on State transportation construction and maintenance projects.

To the Committee on Transportation.

S. 101.

By Senators Campion, Balint, Bray, Clarkson, Ingram, Lyons, MacDonald, McCormack, Pollina and Sears,

An act relating to requiring the use of safer alternatives to PFAS chemicals in food packaging.

To the Committee on Health and Welfare.

Proposal of Amendment; Third Reading Ordered

H. 97.

Senator Kitchel, for the Committee on Appropriations, to which was referred House bill entitled:

An act relating to fiscal year 2019 budget adjustments.

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

Sec. 1. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.204 is amended to read:

Sec. B.204 Judiciary

Personal services	40,424,989	40,624,989
Operating expenses	9,550,786	10,120,786
Grants	76,030	<u>76,030</u>
Total	50,051,805	50,821,805
Source of funds		
General fund	4 3,911,69 4	44,681,694
Special funds	3,174,315	3,174,315
Federal funds	640,524	640,524
Interdepartmental transfers	2,325,272	<u>2,325,272</u>
Total	50,051,805	50,821,805

Sec. 2. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.209 is amended to read:

Sec. B.209 Public safety - state police

Personal services	54,187,733	57,629,144
Operating expenses	10,167,293	10,167,293
Grants	1,356,805	<u>1,356,805</u>
Total	65,711,831	69,153,242
Source of funds		
General fund	36,604,91 4	40,046,325
Transportation fund	20,250,000	20,250,000
Special funds	2,984,667	2,984,667
Federal funds	3,798,422	3,798,422
Interdepartmental transfers	2,073,828	2,073,828
Total	65,711,831	69,153,242

Sec. 3. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.221 is amended to read:

Sec. B.221 Criminal justice training council

Personal services	1,193,040	1,332,687
Operating expenses	1,283,697	<u>1,283,697</u>
Total	2,476,737	2,616,384
Source of funds		
General fund	2,355,582	2,495,229
Interdepartmental transfers	<u>121,155</u>	<u>121,155</u>
Total	2,476,737	2,616,384

Sec. 4. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.240 is amended to read:

Sec. B.240 Total protection to persons and property

Source of funds		
General fund	152,235,965	156,587,023
Transportation fund	20,250,000	20,250,000
Special funds	86,673,285	86,673,285
Tobacco fund	561,843	561,843
Federal funds	54,930,811	54,930,811
ARRA funds	1,010,000	1,010,000
Interdepartmental transfers	14,681,856	14,681,856
Enterprise funds	<u>10,408,556</u>	10,408,556
Total	340,752,316	345,103,374

Sec. 5. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.300 is amended to read:

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	8,771,938	8,521,445
Operating expenses	11,443,486	5,646,282
Grants	<u>4,983,315</u>	<u>6,978,181</u>
Total	25,198,739	21,145,908
Source of funds		
General fund	7,387,754	7,996,653
Special funds	91,017	135,517
Federal funds	16,056,135	11,581,340
Global Commitment fund	453,000	453,000
Interdepartmental transfers	<u>1,210,833</u>	<u>979,398</u>
Total	25,198,739	21,145,908

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Sec. 6. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.301 is amended to read:

Sec. B.301 Secretary's office - global commitment

Operating expenses	3,156,749 3,156,749
Grants	<u>1,585,123,038</u> <u>1,605,380,121</u>
Total	1,588,279,787 1,608,536,870
Source of funds	
General fund	283,423,430 547,692,210
Special funds	27,902,465 34,179,290
Tobacco fund	20,299,373 20,299,373
State health care resources fund	284,480,725 18,546,502
Federal funds	955,341,512 972,451,716
Interdepartmental transfers	<u>16,832,282</u> <u>15,367,779</u>
Total	1,588,279,787 1,608,536,870

Sec. 7. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.302 is amended to read:

Sec. B.302 Rate setting

Personal services	916,668	513,890
Operating expenses	<u>96,744</u>	23,906
Total	1,013,412	537,796
Source of funds		
General fund	506,706	268,898
Federal funds	<u>506,706</u>	268,898
Total	1,013,412	537,796

Sec. 8. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.303 is amended to read:

Sec. B.303 Developmental disabilities council

Personal services	402,333	402,333
Operating expenses	71,003	83,003
Grants	150,000	150,000
Total	623,336	635,336
Source of funds		
Special funds	θ	12,000
Federal funds	<u>623,336</u>	<u>623,336</u>
Total	623,336	635,336

Sec. 9. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.306 is amended to read:

Sec. B.306 Department of Vermont health access - administration

Personal services	150,000,858	155,647,085
Operating expenses	5,878,419	9,166,151
Grants	7,314,742	7,314,742
Total	163,194,019	172,127,978
Source of funds		
General fund	26,674,061	29,303,802
Special funds	3,522,585	4,180,049
Federal funds	118,955,295	122,595,258
Global Commitment fund	6,795,089	8,420,089
Interdepartmental transfers	7,246,989	7,628,780
Total	163,194,019	172,127,978

Sec. 10. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.307 is amended to read:

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

Grants	730,388,202	731,836,651
Total	730,388,202	731,836,651
Source of funds		
Global Commitment fund	730,388,202	731,836,651
Total	730,388,202	731,836,651

Sec. 11. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.308 is amended to read:

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

Grants	<u>204,515,915</u>	209,074,560
Total	204,515,915	209,074,560
Source of funds		
Global Commitment fund	<u>204,515,915</u>	209,074,560
Total	204,515,915	209,074,560

Sec. 12. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.309 is amended to read:

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

Grants	<u>47,955,940</u>	52,546,833
Total	47 <u>,955,940</u>	52,546,833
Source of funds		
General fund	39,074,163	40,951,636
Global Commitment fund	8,881,777	11,595,197
Total	47,955,940	52,546,833

Sec. 13. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.310 is amended to read:

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

Grants	<u>31,345,248</u>	32,446,297
Total	31,345,248	32,446,297
Source of funds		
General fund	11,400,406	11,406,688
Federal funds	<u>19,944,842</u>	21,039,609
Total	31,345,248	32,446,297

Sec. 14. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.311 is amended to read:

Sec. B.311 Health - administration and support

Personal services Operating expenses	5,369,099 5,125,954	5,369,099 5,637,439
Grants	4,065,000	4,040,917
Total	14,560,053	15,047,455
Source of funds		
General fund	2,756,570	2,846,866
Special funds	1,737,815	1,758,275
Federal funds	6,577,531	6,904,918
Global Commitment fund	3,443,137	3,492,396
Interdepartmental transfers	45,000	45,000
Total	14,560,053	15,047,455

Sec. 15. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.312 is amended to read:

Sec. B.312 Health - public health

Personal services	42,670,151	42,670,151
Operating expenses	8,262,008	8,262,008
Grants	<u>36,443,759</u>	36,419,345
Total	87,375,918	87,351,504
Source of funds		
General fund	9,483,976	9,459,562
Special funds	17,368,655	17,368,655
Tobacco fund	1,088,918	1,088,918
Federal funds	45,853,114	45,853,114
Global Commitment fund	12,436,255	12,436,255
Interdepartmental transfers	1,120,000	1,120,000
Permanent trust funds	25,000	25,000
Total	87,375,918	87,351,504

Sec. 16. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.313 is amended to read:

Sec. B.313 Health - alcohol and drug abuse programs

Personal services	4,228,751	4,228,751
Operating expenses	255,634	255,634
Grants	<u>49,572,962</u>	<u>49,199,356</u>
Total	54,057,347	53,683,741
Source of funds		
General fund	2,468,452	2,350,373
Special funds	1,163,962	1,163,962
Tobacco fund	949,917	949,917
Federal funds	14,495,543	14,495,543
Global Commitment fund	<u>34,979,473</u>	34,723,946
Total	54,057,347	53,683,741

Sec. 17. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.314 is amended to read:

Sec. B.314 Mental health - mental health

30,983,975	31,803,025
3,754,146	3,754,146
<u>208,515,176</u>	228,916,900
243,253,297	264,474,071
6,131,693	6,401,117
	3,754,146 <u>208,515,176</u> 243,253,297

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Special funds	434,904	1,184,904
Federal funds	8,782,053	9,485,683
Global Commitment fund	227,884,647	247,085,743
Interdepartmental transfers	<u>20,000</u>	316,624
Total	243,253,297	264,474,071

Sec. 18. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.316 is amended to read:

Sec. B.316 Department for children and families - administration & support services

Personal services	39,883,238	41,316,060
Operating expenses	11,312,882	11,089,597
Grants	<u>3,019,141</u>	<u>2,920,622</u>
Total	54,215,261	55,326,279
Source of funds		
General fund	26,574,313	26,425,308
Special funds	2,591,557	2,531,557
Federal funds	22,956,549	24,228,031
Global Commitment fund	1,875,508	1,924,049
Interdepartmental transfers	217,334	217,334
Total	54,215,261	55,326,279

Sec. 19. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.317 is amended to read:

Sec. B.317 Department for children and families - family services

Personal services	33,519,525	34,621,892
Operating expenses	4,951,233	5,099,978
Grants	75,193,282	77,367,914
Total	113,664,040	117,089,784
Source of funds		
General fund	36,682,377	40,287,702
Special funds	967,587	877,587
Federal funds	27,125,458	27,457,860
Global Commitment fund	48,754,229	48,354,746
Interdepartmental transfers	<u>134,389</u>	<u>111,889</u>
Total	113,664,040	117,089,784

Sec. 20. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.318 is amended to read:

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Sec. B.318 Department for children and families - child development

Personal services Operating expenses	4 <u>,373,097</u> 666,405	4,591,300 701,709
Grants	<u>78,641,229</u>	<u>78,352,587</u>
Total	83,680,731	83,645,596
Source of funds		
General fund	33,309,452	33,047,380
Special funds	1,820,000	1,820,000
Federal funds	37,067,384	37,067,384
Global Commitment fund	11,483,895	11,688,332
Interdepartmental transfers	$\overline{0}$	22,500
Total	83,680,731	83,645,596

Sec. 21. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.319 is amended to read:

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

Personal services	10,358,904	10,358,904
Operating expenses	<u>3,664,980</u>	3,707,369
Total	14,023,884	14,066,273
Source of funds		
General fund	3,811,164	4,141,089
Special funds	455,719	455,719
Federal funds	9,369,401	9,081,865
Interdepartmental transfers	<u>387,600</u>	387,600
Total	14,023,884	14,066,273

Sec. 22. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.320 is amended to read:

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

Personal services	2,252,206	2,252,206
Grants	<u>11,298,023</u>	10,498,023
Total	13,550,229	12,750,229
Source of funds		
General fund	9,649,899	8,849,899
Global Commitment fund	<u>3,900,330</u>	<u>3,900,330</u>
Total	13,550,229	12,750,229

Sec. 23. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.321 is amended to read:

Sec. B.321 Department for children and families - general assistance		
Personal services	15,000	15,000
Grants	<u>6,912,360</u>	<u>6,992,083</u>
Total	6,927,360	7,007,083
Source of funds		
General fund	6,530,025	6,609,748
Federal funds	111,320	111,320
Global Commitment fund	286,015	286,015
Total	6,927,360	7,007,083

Sec. 24. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.323 is amended to read:

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

Operating expenses	51,519	51,519
Grants	<u>32,420,849</u>	32,160,502
Total	32,472,368	32,212,021
Source of funds		
General fund	6,423,546	5,822,579
Special funds	21,024,984	21,177,984
Federal funds	2,342,220	2,529,840
Global Commitment fund	2,681,618	2,681,618
Total	32,472,368	32,212,021

Sec. 25. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.324 is amended to read:

Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP

Grants	<u>15,019,953</u>	16,375,827
Total	15,019,953	16,375,827
Source of funds		
Special funds	1,434,217	1,790,091
Federal funds	<u>13,585,736</u>	14,585,736
Total	15,019,953	16,375,827

Sec. 26. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.325 is amended to read:

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	496,450	496,450
Operating expenses	43,133	43,458
Grants	<u>9,610,253</u>	<u>10,089,823</u>

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Total	10,149,836	10,629,731
Source of funds		
General fund	4,767,340	4,962,665
Special funds	57,990	57,990
Federal funds	4,494,818	4,707,843
Global Commitment fund	829,688	829,688
Interdepartmental transfers	$\overline{0}$	71,545
Total	10,149,836	10,629,731

Sec. 27. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.326 is amended to read:

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	321,661	321,661
Operating expenses	43,448	43,448
Grants	<u>10,554,220</u>	12,641,596
Total	10,919,329	13,006,705
Source of funds		
Special funds	6,325,418	8,412,794
Federal funds	4,593,911	4,593,911
Total	10,919,329	13,006,705

Sec. 28. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.327 is amended to read:

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

Personal services	5,478,901	5,478,901
Operating expenses	717,907	717,998
Total	6,196,808	6,196,899
Source of funds		
General fund	1,134,164	6,099,899
Global Commitment fund	4 ,965,6 44	0
Interdepartmental transfers	<u>97,000</u>	<u>97,000</u>
Total	6,196,808	6,196,899

Sec. 29. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.328 is amended to read:

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

Personal services	5,978,035	6,428,035
Operating expenses	<u>411,111</u>	<u>411,111</u>

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Total	6,389,146	6,839,146
Source of funds		
General fund	103,081	103,081
Federal funds	6,286,065	6,736,065
Total	6,389,146	6,839,146

Sec. 30. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.329 is amended to read:

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

Personal services	31,585,910	31,585,910
Operating expenses	<u>5,477,387</u>	<u>5,594,492</u>
Total	37,063,297	37,180,402
Source of funds		
General fund	16,304,973	16,379,241
Special funds	1,390,457	1,390,457
Federal funds	18,301,583	18,344,420
Interdepartmental transfers	1,066,284	1,066,284
Total	37,063,297	37,180,402

Sec. 31. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.330 is amended to read:

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

Grants	<u>20,067,904</u>	20,133,204
Total	20,067,904	20,133,204
Source of funds		
General fund	7,553,375	7,553,375
Federal funds	7,148,466	7,148,466
Global Commitment fund	<u>5,366,063</u>	<u>5,431,363</u>
Total	20,067,904	20,133,204

Sec. 32. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.331 is amended to read:

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

Grants	<u>1,451,457</u>	1,661,457
Total	1,451,457	1,661,457
Source of funds		
General fund	389,154	389,154
Special funds	223,450	223,450

Federal funds	593,853	743,853
Global Commitment fund	245,000	305,000
Total	1,451,457	1,661,457

Sec. 33. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.332 is amended to read:

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

Grants	7,174,368	7,024,368
Total	7,174,368	7,024,368
Source of funds		
General fund	1,371,845	1,371,845
Federal funds	4,552,523	4,402,523
Interdepartmental transfers	1,250,000	1,250,000
Total	7,174,368	7,024,368

Sec. 34. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.333 is amended to read:

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

Grants	<u>221,097,985</u>	221,124,954
Total	221,097,985	221,124,954
Source of funds		
General fund	155,125	155,125
Special funds	15,463	15,463
Federal funds	359,857	359,857
Global Commitment fund	220,522,540	220,549,509
Interdepartmental transfers	45,000	45,000
Total	221,097,985	221,124,954

Sec. 35. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.338 is amended to read:

Sec. B.338 Corrections - correctional services

Personal services	109,065,960	111,056,476
Operating expenses	21,128,473	21,379,399
Grants	<u>9,163,138</u>	8,893,128
Total	139,357,571	141,329,003
Source of funds		
General fund	132,472,462	134,443,894
Special funds	629,963	629,963
Federal funds	470,962	470,962
Global Commitment fund	5,387,869	5,387,869

Interdepartmental transfers	396,315	396,315
Total	139,357,571	141,329,003

Sec. 36. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.342 is amended to read:

Sec. B.342 Vermont veterans' home - care and support services

Personal services	18,756,245	18,756,245
Operating expenses	<u>4,949,905</u>	<u>6,007,954</u>
Total	23,706,150	24,764,199
Source of funds		
General fund	3,998,789	3,089,840
Special funds	11,281,346	13,248,344
Federal funds	8,426,015	8,426,015
Total	23,706,150	24,764,199

Sec. 37. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.346 is amended to read:

Sec. B.346 Total human services

Source of funds	
General fund	697,716,468 975,587,802
Special funds	104,751,216 116,925,713
Tobacco fund	22,338,208 22,338,208
State health care resources fund	284,480,725 18,546,502
Federal funds	1,385,140,068 1,406,513,246
Global Commitment fund	1,544,576,637 1,568,957,099
Internal service funds	1,973,584 1,973,584
Interdepartmental transfers	4 0,759,391 39,813,413
Permanent trust funds	<u>25,000</u> <u>25,000</u>
Total	4 ,081,761,297 4,150,680,567

Sec. 38. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.500 is amended to read:

Sec. B.500 Education - finance and administration

Personal services	7,569,932	7,569,932
Operating expenses	3,575,080	3,581,330
Grants	<u>15,540,935</u>	<u>15,540,935</u>
Total	26,685,947	26,692,197
Source of funds		
General fund	3,795,807	3,802,057
Special funds	16,280,409	16,280,409
Education fund	995,597	995,597

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Federal funds	2,396,087	2,396,087
Global Commitment fund	260,000	260,000
Interdepartmental transfers	<u>2,958,047</u>	<u>2,958,047</u>
Total	26,685,947	26,692,197

Sec. 39. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

<u>1,371,075,706</u> <u>1,372,931,462</u>
1,371,075,706 1,372,931,462
<u>1,371,075,706</u> 1,372,931,462
1,371,075,706 1,372,931,462

Sec. 40. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.516 is amended to read:

Sec. B.516 Total general education

Source of funds		
General fund	136,962,560	136,968,810
Special funds	19,483,091	19,483,091
Tobacco fund	750,388	750,388
Education fund	1,648,663,578	1,650,519,334
Federal funds	138,281,079	138,281,079
Global Commitment fund	260,000	260,000
Interdepartmental transfers	4,204,714	4,204,714
Pension trust funds	7,781,379	7,781,379
Total	1,956,386,789	1,958,248,795

Sec. 41. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.702 is amended to read:

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

Personal services	17,559,395	17,674,395
Operating expenses	5,511,383	5,511,383
Grants	1,078,000	1,078,000
Total	24,148,778	24,263,778
Source of funds		
General fund	5,652,621	5,767,621
Special funds	196,212	196,212
Fish and wildlife fund	9,505,629	9,505,629
Federal funds	8,691,203	8,691,203
Interdepartmental transfers	93,102	93,102

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Permanent trust funds	<u>10,011</u>	<u>10,011</u>
Total	24,148,778	24,263,778

Sec. 42. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.704 is amended to read:

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

Personal services	5,587,322	5,587,322
Operating expenses	761,503	794,103
Grants	500,000	500,000
Total	6,848,825	6,881,425
Source of funds		
General fund	4,610,156	4,642,756
Special funds	412,999	412,999
Federal funds	1,487,097	1,487,097
Interdepartmental transfers	338,573	338,573
Total	6,848,825	6,881,425

Sec. 43. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.709 is amended to read:

Sec. B.709 Environmental conservation - management and support services

Personal services Operating expenses	6,288,392 3,391,844	6,340,265 3,391,844
Grants	150,000	150,000
Total	9,830,236	9,882,109
Source of funds		
General fund	1,074,364	1,126,237
Special funds	457,591	457,591
Federal funds	744,676	744,676
Interdepartmental transfers	7,553,605	7,553,605
Total	9,830,236	9,882,109

Sec. 44. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.711 is amended to read:

Sec. B.711 Environmental conservation - office of water programs

Personal services	18,292,585	18,292,585
Operating expenses	6,676,548	6,676,548
Grants	23,754,400	23,804,400
Total	4 8,723,533	48,773,533
Source of funds		
General fund	7,815,563	7,815,563
Special funds	10,333,268	10,383,268

Federal funds Interdepartmental transfers Total	29,486,364 <u>1,088,338</u> 4 8,723,533	29,486,364 <u>1,088,338</u> 48,773,533
Sec. 45. 2018 (Sp. Sess.) Acts and Resolves No read:	o. 11, Sec. B.714	is amended to
Sec. B.714 Total natural resources		
Source of funds		
General fund	28,086,22 4	28,285,697
Special funds	48,971,225	49,021,225
Fish and wildlife fund	9,505,629	9,505,629
Federal funds	46,401,814	46,401,814
Interdepartmental transfers	9,907,827	9,907,827
Permanent trust funds	<u>10,011</u>	<u>10,011</u>
Total	142,882,730	143,132,203

Sec. 46. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.800 is amended to read:

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	1,717,913	1,817,913
Operating expenses	1,373,839	1,373,839
Grants	<u>452,627</u>	352,627
Total	3,544,379	3,544,379
Source of funds		
General fund	3,524,379	3,524,379
Interdepartmental transfers	20,000	20,000
Total	3,544,379	3,544,379

Sec. 47. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.801 is amended to read:

Sec. B.801 Economic development

Personal services	3,512,700	3,512,700
Operating expenses	903,397	903,397
Grants	<u>5,554,735</u>	5,669,735
Total	9,970,832	10,085,832
Source of funds		
General fund	4,563,197	4,678,197
Special funds	2,625,350	2,625,350
Federal funds	2,782,285	2,782,285
Total	9,970,832	10,085,832

Sec. 48. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.810 is amended to read:

Sec. B.810 Vermont historical society

Grants	<u>961,426</u>	<u>991,426</u>
Total	961,426	991,426
Source of funds		
General fund	<u>961,426</u>	<u>991,426</u>
Total	961,426	991,426

Sec. 49. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.813 is amended to read:

Sec. B.813 Total commerce and community development

Source of funds		
General fund	15,902,584	16,047,584
Special funds	18,557,328	18,557,328
Federal funds	25,950,869	25,950,869
Interdepartmental transfers	110,751	110,751
Enterprise funds	<u>650,605</u>	<u>650,605</u>
Total	61,172,137	61,317,137

Sec. 50. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.903 is amended to read:

Sec. B.903 Transportation - program development

Personal services	50,457,603	50,457,603
Operating expenses	216,263,480	218,063,480
Grants	34,168,390	34,168,390
Total	300,889,473	302,689,473
Source of funds		
Transportation fund	42,549,882	42,923,252
TIB fund	11,894,706	13,321,336
Federal funds	244,766,072	244,766,072
Interdepartmental transfers	239,345	239,345
Local match	<u>1,439,468</u>	1,439,468
Total	300,889,473	302,689,473

Sec. 51. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.905 is amended to read:

Sec. B.905 Transportation - maintenance state system

Personal services	43,007,903	43,007,903
Operating expenses	44 <u>,516,596</u>	47,370,246

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Grants Total	<u>371,780</u> 87,896,279	<u>371,780</u> 90,749,929
Source of funds Transportation fund Federal funds Interdepartmental transfers	85,018,492 2,777,787 <u>100,000</u> 27 200 270	87,872,142 2,777,787 <u>100,000</u>
Total Sec. 52. 2018 (Sp. Sess.) Acts and Resolves No read:	87,896,279 . 11, Sec. B.907 i	90,749,929 is amended to
Sec. B.907 Transportation - rail		
Personal services Operating expenses Total Source of funds	5,511,324 <u>24,087,727</u> 29,599,051	
Transportation fund TIB fund Federal funds Total	18,675,520 760,000 <u>10,163,531</u> 29,599,051	19,137,194 760,000 <u>10,163,531</u> 30,060,725
Sec. 53. 2018 (Sp. Sess.) Acts and Resolves No read:	. 11, Sec. B.910 i	is amended to
Sec. B.910 Department of motor vehicles		
Personal services Operating expenses Total Source of funds Transportation fund Federal funds Interdepartmental transfers	$ \begin{array}{r} 19,894,921 \\ \underline{11,465,811} \\ 31,360,732 \\ \hline 29,760,414 \\ 1,458,768 \\ \underline{141,550} \\ \end{array} $	1,458,768
Total Sec. 54. 2018 (Sp. Sess.) Acts and Resolves No read:	31,360,732 . 11, Sec. B.919 i	, ,
Sec. B.919 Transportation - municipal mitigation	n assistance prog	ram
Operating expenses Grants Total Source of funds	200,000	200,000 6,482,342
Transportation fund Special funds	1,240,000 2,400,000	1,240,000 0

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Federal funds	5,442,342	5,442,342
Total	9,082,342	6,682,342

Sec. 55. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.922 is amended to read:

Sec. B.922 Total transportation

Source of funds		
Transportation fund	251,072,742	256,365,781
TIB fund	13,202,337	14,628,967
Special funds	3,819,457	1,419,457
Federal funds	318,917,135	318,917,135
Internal service funds	20,684,524	20,684,524
Interdepartmental transfers	1,053,100	1,053,100
Local match	2,131,800	<u>2,131,800</u>
Total	610,881,095	615,200,764

Sec. 56. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. D.101 is amended to read:

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 \$3,453,807.

* * *

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

* * *

(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.

21638	AG-Fees & Reimbursements-Court Order		2,000,000.00
21928	Secretary of State Services Fund		2,607,923.00
62100	Unclaimed Property Fund	3,415,143.00	2,978,680.00

* * *

(3) In fiscal year 2019, notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, \$30,014,057 §30,657,910 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.

* * *

(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:

1130010000	Department of Libraries	234,209.00
<u>1130030000</u>	Department of Libraries	490,361.98
<u>1120020000</u>	Tuition Assistance Program	<u>9,953.72</u>
<u>1120030000</u>	Dependent Care Program	376.83
<u>1150891701</u>	SESCF Reuse	200,000.00
1210001000	Legislative Council	113,000.00
1210002000	Legislature	175,000.00
1220000000	Joint Fiscal Office	30,000.00
<u>1240001000</u>	Lieutenant Governor	<u>1,063.83</u>
<u>1250010000</u>	Auditor of Accounts	2,576.48
<u>1260010000</u>	Treasurer	35,000.00
<u>2130100000</u>	State's Attorneys	194,650.59
<u>2130200000</u>	Sheriffs	74,871.99
<u>2200040000</u>	Ag Resource Management	70,000.00
<u>3330010000</u>	Green Mountain Care Board	167,740.73
<u>5100010000</u>	Agency of Education – Administration	32,191.80

(2) The following amounts shall revert to the Education Fund from the accounts indicated:

1140330000	Renter Rebates	1,382,973.79
<u>5100210000</u>	Ed-Flexible Pathways	637,262.50
<u>5100090000</u>	Education Grant	8,443,806.00

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<u>5100100000</u>	Transportation	97,030.00
<u>5100110000</u>	Small School Grant	109,928.00
<u>5100120000</u>	Debt Service Aid	25,000.00
<u>5100190000</u>	Essential Early Educ Grant	89,450.88
<u>5100200000</u>	Education-Technical Education	160,914.23
	* * *	

(e) The following General Fund amount shall be reserved in the General Fund Rainy Day Reserve established by 32 V.S.A. § 308c: \$9,700,000.

Sec. 57. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.1100 is amended to read:

Sec. B.1100 NEXT GENERATION; APPROPRIATIONS AND TRANSFERS

(a) In fiscal year 2019, 33,055,900 33,453,807 is appropriated or transferred from the Next Generation Initiative Fund created in 16 V.S.A. § 2887 as prescribed:

* * *

(3) Scholarships and grants. The amount of $\frac{1,420,500}{1,818,407}$ as follows:

* * *

(C) Dual enrollment programs and need-based stipend. The amount of $\frac{1137,907}{1,137,907}$ 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. 58. EXPANDING SUBSTANCE USE DISORDER AND MENTAL HEALTH WORKFORCE PLAN – PLAN APPROVAL POSTPONEMENT

(a) Release of funds in fiscal year 2019 under the provisions of 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106.1 (b)(1) shall be pursuant to plan review and approval upon passage in the fiscal year 2020 budget bill.

Sec. 59. GENERAL FUND TRANSFER TO THE 27/53 RESERVE

(a) The amount of \$1,880,000 in General Funds shall be transferred and reserved in the 27/53 Reserve in fiscal year 2019. This action is the fiscal year 2020 contribution to the 27th payroll reserve as required by 32 V.S.A. § 308e.

Sec. 60. INSTITUTIONS FOR MENTAL DISEASE; GLOBAL COMMITMENT WAIVER AMENDMENT

(a) It is the public policy of the State of Vermont to develop a fully integrated continuum of mental health services. In recognition that Institutions for Mental Disease (IMDs) are an essential part of the current continuum of care, the Secretary of Human Services may seek approval from the Centers for Medicare and Medicaid Services to amend Vermont's Global Commitment to Health Section 1115 waiver as it relates to the phase out of coverage of treatment for serious mental illness provided in IMDs.

Sec. 61. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.301 is amended to read:

Sec. E.301 Secretary's office - Global Commitment

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.103 B.301 of this act for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of $\frac{26,413,016}{526,394,678}$ is anticipated to be certified as State matching funds under the Global Commitment as follows:

* * *

(2) 3,076,966 3,058,628 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

Sec. 62. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.318 is amended to read:

Sec. E.318 EARLY CARE AND CHILD DEVELOPMENT PROGRAM GRANT; ADDITIONAL CHILD CARE EXPENDITURES

* * *

(d) The Department for Children and Families Child Development Division shall allocate funds appropriated in fiscal year 2019 for the following one-time purposes:

(1) \$800,000 to be carried forward into fiscal year 2020 to fund the estimated program cost related to changes to the Federal Poverty Rate calculations; and

(2) \$1,400,000 to create one-time grants to new or existing licensed child care programs, at a minimum to maintain capacity, particularly for vulnerable children and underserved areas of the State.

Sec. 63. CONTINGENCY FUNDING FOR THE ACO CLAIMS TAIL

(a) To the extent that the Agency of Human Services and the Department of Finance and Management find the budgeted amount in the Global Commitment appropriations in fiscal year 2019 are not sufficient to cover the one-time costs incurred during fiscal year 2019 specifically attributable to the overlapping timing of Medicaid claims incurred prior to January 1, 2019 and prospective payments made to an Accountable Care Organization (ACO) for approximately 32,000 Medicaid beneficiaries newly attributed to an ACO on or after January 1, 2019, up to \$7,840,000 is unreserved from the Human Services Caseload Reserve and appropriated to the Agency of Human Services' Global Commitment appropriation as State matching General Funds in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.301 as amended by Sec. 6 of this act. There shall be a corresponding appropriation for Federal Funds in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.301 as amended by Sec. 6 of this act, as required by the concurrent Federal Medical Assistance Percentage rate. The commensurate gross Global Commitment spending authority shall be appropriated as needed to respective departments and may be effectuated among the adjustments to Global Commitment appropriations pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.301.2. The Agency and the Department shall provide a report on the findings and the amount appropriated pursuant to this provision to the Joint Fiscal Office and as part of the fiscal year 2019 close out to the Joint Fiscal Committee.

Sec. 64. TRANSITION OF STATE HEALTH CARE RESOURCES FUND REVENUES TO THE GENERAL FUND

(a) The Department of Finance and Management shall report upon request the total statewide revenues received from each of the following revenue sources both historically and prospectively and compare those amounts to the total amount of State fund sources appropriated in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.301, as amended by this act:

(1) all revenue from cigarette and tobacco products taxes levied pursuant to 32 V.S.A. chapter 205;

(2) all revenue from health care provider assessments pursuant to 33 V.S.A. chapter 19, subchapter 2;

(3) all revenue from the employer health care premium contribution pursuant to 32 V.S.A. chapter 245; and

(4) all revenue from health care claims assessments pursuant to 32 V.S.A. § 10402.

(b) The State agency or department to which the revenue is remitted shall maintain the same level of accounting detail for each of the revenue sources listed in subdivisions (a)(1)–(4) of this section as was maintained prior to July 1, 2019.

Sec. 65. 33 V.S.A. § 1901d is amended to read:

§ 1901d. STATE HEALTH CARE RESOURCES FUND

(a) The State Health Care Resources Fund is established in the State Treasury as a special fund to be a source of financing for health care coverage for beneficiaries of the State health care assistance programs under the Global Commitment to Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act and a source of financing for the Vermont Health Benefit Exchange established in chapter 18, subchapter 1 of this title.

(b) Into the Fund shall be deposited:

(1) all revenue from the tobacco products tax and from the cigarette tax levied pursuant to 32 V.S.A. chapter 205; [Repealed.]

(2) revenue from health care provider assessments pursuant to subchapter 2 of chapter 19 of this title; [Repealed.]

(3) revenue from the employer health care premium contribution pursuant to 21 V.S.A. chapter 25; [Repealed.]

(4) revenue from health care claims assessments pursuant to 32 V.S.A. <u>§ 10402;</u> [Repealed.]

(5) premium amounts paid by individuals unless paid directly to the insurer; and

(6) the proceeds from grants, donations, contributions, taxes, <u>recoveries</u>, and any other sources of revenue as may be provided by statute, rule, <u>agreement</u>, or act of the General Assembly; and.

(7) any remaining balance in the terminated Catamount Fund as of June 30, 2012. [Repealed.]

* * *

(d) All monies received by or generated to the Fund shall be used only as allowed by appropriation of the General Assembly for the administration and delivery of health care covered through State health care assistance programs administered by the Agency under the Global Commitment for Health Medicaid Section 1115 waiver, the Vermont Health Benefit Exchange established in chapter 18, subchapter 1 of this title, immunizations under 18 V.S.A. § 1130, and the development and implementation of the Blueprint for Health under 18 V.S.A. § 702.

Sec. 66. 2 V.S.A. § 693(b) is amended to read:

* * *

(2) If applicable, the Secretary shall submit an electronic report to the Joint Fiscal Office for distribution to members of the Committee that summarizes any plans or actions taken by the Executive Branch to delay health care reform project schedules as a result of:

* * *

(B) changes in the consensus revenue forecast of the Health Care Resources Fund; [Repealed.]

* * *

Sec. 67. 8 V.S.A. § 4518 is amended to read:

§ 4518. TAX EXEMPTION

A hospital service corporation shall be exempt from all forms of taxation except the health care claims tax assessed pursuant to 32 V.S.A. § 10402.

Sec. 68. 8 V.S.A. § 4590 is amended to read:

§ 4590. TAX EXEMPTION

A medical service corporation shall be exempt from all forms of taxation except the health care claims tax assessed pursuant to 32 V.S.A. § 10402.

Sec. 69. 32 V.S.A. § 305a is amended to read:

§ 305a. OFFICIAL STATE REVENUE ESTIMATE

(a) On or about January 15 and again by July 31 of each year, and at such other times as the Emergency Board or the Governor deems proper, the Joint Fiscal Office and the Secretary of Administration shall provide to the Emergency Board their respective estimates of State revenues in the General, Transportation, Transportation Infrastructure Bond, and Education, and State Health Care Resources Funds. The January revenue estimate shall be for the current and next two succeeding fiscal years, and the July revenue estimate shall be for the current and immediately succeeding fiscal years. Federal fund estimates shall be provided at the same times for the current fiscal year. Global Commitment Fund estimates shall be provided in January for the current and immediately succeeding fiscal year and in July for the current fiscal year.

* * *

(c)(1)(A) The January estimates shall include estimated caseloads and estimated per-member per-month expenditures for the current and next succeeding fiscal years for each Medicaid enrollment group as defined by the Agency and the Joint Fiscal Office for State Health Care Assistance Programs or premium assistance programs supported by the State Health Care Resources and Global Commitment Funds₇ Fund and for the programs under any Medicaid Section 1115 waiver.

* * *

Sec. 70. 32 V.S.A. § 7823 is amended to read:

§ 7823. DEPOSIT OF REVENUE

The revenue generated by the taxes imposed under this chapter shall be credited to the State Health Care Resources Fund established by 33 V.S.A. § 1901d General Fund.

Sec. 71. 32 V.S.A. § 9533(e) is amended to read:

(e) Upon the receipt of the full amount of the tax, the Commissioner shall deposit receipts from the transferor tax in <u>into</u> the Health Care Resources Fund established pursuant to 33 V.S.A. § 1901d <u>General Fund</u>.

Sec. 72. 32 V.S.A. § 10402 is amended to read:

§ 10402. HEALTH CARE CLAIMS TAX

* * *

(b) Revenues paid and collected under this chapter shall be deposited as follows:

(1) 0.199 of one percent of all health insurance claims into the Health IT-Fund established in section 10301 of this title; and

(2) 0.8 of one percent of all health insurance claims into the State Health Care Resources Fund established in 33 V.S.A. § 1901d General Fund.

(c) The annual cost to obtain Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A. § 9410, for use by the Department of Taxes shall be paid from the Vermont Health IT-Fund and the State Health Care Resources General Fund in the same proportion as revenues are deposited into those Funds.

* * *

Sec. 73. 32 V.S.A. § 10402 is amended to read:

§ 10402. HEALTH CARE CLAIMS TAX

* * *

(b) Revenues paid and collected under this chapter shall be deposited as follows: into the General Fund.

(1) 0.199 of one percent of all health insurance claims into the Health IT-Fund established in section 10301 of this title; and

(2) 0.8 of one percent of all health insurance claims into the General Fund.

(c) The annual cost to obtain Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A. § 9410, for use by the Department of Taxes shall be paid from the Vermont Health IT-Fund and the General Fund in the same proportion as revenues are deposited into those Funds.

* * *

Sec. 74. 32 V.S.A. § 10503 is amended to read:

§ 10503. HEALTH CARE FUND CONTRIBUTION ASSESSMENT

(a) The Commissioner of Taxes shall assess and an employer shall pay a quarterly Health Care Fund contribution for each full-time equivalent uncovered employee employed during that quarter in excess of four full-time equivalent employees.

(b) The amount of the contribution shall be \$158.77 for each full-time equivalent employee in excess of four. Starting in calendar year 2018, the amount of the contribution shall be adjusted <u>annually</u> by a percentage equal to any percentage change in premiums for the second lowest-cost <u>of all</u> silver-level <u>plan health benefit plans</u>, whether offered in <u>or outside</u> the Vermont Health Benefit Exchange.

* * *

(d) Revenues from the Health Care Fund contributions collected shall be deposited into the State Health Care Resources Fund established under 33 V.S.A. § 1901d General Fund.

* * *

Sec. 75. 33 V.S.A. § 1951 is amended to read:

§ 1951. DEFINITIONS

As used in this subchapter:

* * *

(4) "Fund" means the State Health Care Resources Fund consisting in part of assessments from health care providers under this subchapter. [Repealed.]

* * *

Sec. 76. 33 V.S.A. § 1956 is amended to read:

§ 1956. PROCEEDS FROM ASSESSMENTS

All assessments, including late-payment assessments, from health care providers under this subchapter shall be deposited in the State Health Care Resources Fund established in section 1901d of this title General Fund. No provision of this subchapter shall permit the State to reduce the level of State funds expended on the nursing home Medicaid program in any fiscal year below the level expended in fiscal year 1991 from the General Fund for the nursing home Medicaid program.

Sec. 77. VERMONT VETERANS' HOME

(a) Prior to expending funds for the security upgrade and the biomass project, the Vermont Veterans' Home shall present a plan on or before March 15, 2019 to the House and Senate Committees on Appropriations, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions that details the total cost of the projects, the timeline for completion, and the funding source over the term of the projects.

Sec. 78. REIMBURSEMENT FOR WINDSOR SOUTHEAST SUPERVISORY UNION

(a) Notwithstanding any other provision of law, the Agency of Education shall pay \$13,205 from the adjusted education payment in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.505, as amended by Sec. 39 of this act, in addition to other education payments to the Windsor Southeast Supervisory Union for fiscal year 2019, to compensate them for Act 46 of 2015 merger activities that resulted in a voluntary merger, for payments that were not received due to timing issues.

Sec. 79. CARRY FORWARD AUTHORITY

(a) Notwithstanding any other provisions of law and subject to the approval of the Secretary of Administration, General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund (Fund 21932), and Agricultural Water Quality Fund (Fund 21933) appropriations remaining unexpended on June 30, 2019 in the Executive Branch of State government shall be carried forward and shall be designated for expenditure. (b) Notwithstanding any other provisions of law, General Fund appropriations remaining unexpended on June 30, 2019 in the Legislative and Judicial branches of State government shall be carried forward and shall be designated for expenditure.

Sec. 80. SUPPLEMENTAL MAINTENANCE SPENDING

(a) Notwithstanding 32 V.S.A. § 706 and the limits on program, project, or activity spending authority approved in the fiscal year 2019 Transportation Program, the Secretary of Transportation, with the approval of the Secretary of Administration and subject to the provisions of subsection (b) of this section, may transfer up to \$2,500,000 in Transportation Fund appropriations, other than appropriations for the Town Highway State Aid, Structures, and Class 2 roadway programs, to the Transportation – Maintenance State System (8100002000) appropriation, for the specific purpose of addressing the overall cost of highway maintenance during fiscal year 2019.

(b)(1) If a contemplated transfer of an appropriation would not significantly delay the planned work schedule of a project, the Secretary may execute the transfer and shall give prompt notice thereof to the Joint Fiscal Office and to the House and Senate Committees on Transportation when the General Assembly is in session and, when the General Assembly is not in session, to the Joint Fiscal Office and the Joint Transportation Oversight Committee.

(2) If a contemplated transfer of an appropriation would, by itself, significantly delay the planned work schedule of a project, the Secretary:

(A) when the General Assembly is in session, may execute the transfer, but shall give the House and Senate Committees on Transportation advance notice of at least 10 business days prior to executing the transfer; or

(B) when the General Assembly is not in session, may execute the transfer, but shall give prompt notice of the transfer to the Joint Fiscal Office and the Joint Transportation Oversight Committee.

(c) In July 2019, the Secretary of Administration shall report all appropriations reductions made under the authority of this section to the Joint Fiscal Office, the Joint Fiscal Committee, and the Joint Transportation Oversight Committee.

Sec. 81. 2018 Acts and Resolves No. 201, Sec. 20 is amended to read:

Sec. 20. FUNDING

To the extent the <u>The</u> sum of \$200,000.00 is appropriated in fiscal year 2019 from the <u>General Tobacco Litigation Settlement</u> Fund to the Department for Children and Families, <u>pursuant to 2018</u> (Sp. Sess.) Act and Resolves

<u>No. 11, Sec. C.105.1(a)(10).</u> Accordingly, the Department shall 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 beginning in fiscal year 2021, and shall carry forward any unexpended funds.

Sec. 82. 2018 Acts and Resolves No. 194, Sec. 26a(b) is amended to read:

(b) In fiscal years 2019 and 2020, the Clean Energy Development Fund shall transfer from the Clean Energy Development Fund to the General Education Fund the amount of the tax expenditure resulting from the sales tax exemption under 32 V.S.A. § 9741(52) on advanced wood boilers up to a maximum of \$200,000.00 for both fiscal years combined. The Department of Taxes shall deposit 64 percent of the monies transferred from the Clean Energy Development Fund into the General Fund under 32 V.S.A. § 435 and 36 percent of the monies in the Education Fund under 16 V.S.A. § 4025.

Sec. 83. 16 V.S.A. § 4026(e) is amended to read:

(e) The enactment of this chapter and other provisions of the Equal Educational Opportunity Act of which it is a part have been premised upon estimates of balances of revenues to be raised and expenditures to be made under the act for such purposes as adjusted education payments, categorical State support grants, provisions for property tax income sensitivity, payments in lieu of taxes, current use value appraisals, tax stabilization agreements, the stabilization reserve established by this section and for other purposes. If the stabilization reserve established under this section should in any fiscal year be less than 3.5 5.0 percent of the prior fiscal year's appropriations from the Education Fund, as defined in subsection (b) of this section, the Joint Fiscal Committee shall review the information provided pursuant to 32 V.S.A. § 5402b and provide the General Assembly its recommendations for change necessary to restore the stabilization reserve to the statutory level provided in subsection (b) of this section.

Sec. 84. HOLD HARMLESS; PREKINDERGARTEN EQUALIZED PUPIL COUNT

(a) The Agency of Education shall adjust the long-term membership of a school district under 16 V.S.A. § 4010, which is used in determining the district's equalized pupil count, for a school district that:

(1) in school year 2017–2018 erroneously paid public dollars to a prekindergarten program that was ineligible under 16 V.S.A. § 829 to receive public funds and as a result overreported its average daily membership prekindergarten count for that year to the Agency of Education; and

(2) corrected for this overreporting by correspondingly decreasing its 2017-2018 school year average daily membership prekindergarten count in a subsequent report to the Agency of Education.

(b) The Agency of Education shall adjust the long-term membership of a school district that qualifies under subsection (a) of this section by increasing its average daily membership prekindergarten count for the 2017–2018 school year by the amount it overreported for the 2017–2018 school year.

Sec. 85. 16 V.S.A. § 2857 is amended to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

. . .

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

* * *

(6) have exhausted any used available post-September 11, 2001 tuition benefits and other federally funded military tuition assistance; provided, however, that this subdivision shall not apply to:

(A) tuition benefits and other federally funded military tuition assistance for which the individual has not yet earned the full amount of the benefit or tuition;

(B) Montgomery GI Bill benefits,

 (\underline{C}) post-September 11, 2001 educational program housing allowances,

(D) federal educational entitlements;

(E) National Guard scholarship grants_{$\overline{2}$}:

(F) loans under section 2856 of this title_{$\frac{1}{2}$} and

(G) other nontuition benefits; and

* * *

Sec. 86. 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:

* * *

(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 subdivision (4) of this subsection shall be calculated considering only the tax due on the first \$400,000.00 in equalized housesite value.

* * *

Sec. 87. FEDERAL SHUTDOWN IMPACT; RECOMMENDATIONS

(a) The General Assembly is concerned about the risks of further federal shutdowns that could impact the health, safety, nutrition, and housing needs of Vermonters; and the risk of federal funding for State and local governmental activities.

(b) The State Treasurer and the Secretary of Administration shall monitor such impacts on Vermonters and on federally funded programs and identify any direct or indirect impacts. They shall further develop joint recommendations to the House and Senate Committees on Appropriations on or before March 7, 2019 with strategies to minimize these impacts.

Sec. 88. FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS AND TRANSFERS FROM THE GENERAL FUND

(a) The following appropriations are made from the General Fund in fiscal year 2019:

(1) To the Agency of Digital Services: \$1,800,000 to be apportioned as follows:

(A) \$1,300,000 for firewalls;

(B) \$500,000 to invest in hardware for the data storage of State devices.

(2) To the Department of Health: \$2,400,000 to fund the testing for lead content in schools' and licensed child care centers' drinking water consistent with the program established in S.40 of 2019. These funds are allocated as follows:

(A) \$125,000 to fund the limited service program position established in S.40 of 2019.

(B) \$150,000 to fund program start-up and data management costs for the program.

(C) \$1,265,000 to fund the initial testing and retesting costs.

(D) \$860,000 to fund the estimated 50 percent State share of tap remediation costs.

(3) To the Department of Environmental Conservation: \$125,000 to fund the limited service remediation position established in S.40 of 2019.

(4) To the Attorney General: \$22,662 for the increased diversion and pre-trial services caseload increases in fiscal year 2019.

(5) To Department of Public Safety: \$196,812 for the cost of replacement holsters, sidearm lighting, communications equipment, and less lethal weapons.

(6) To the Joint Fiscal Office: \$275,000 to be allocated as follows for studies that will be comprehensively defined in the fiscal year 2020 budget process:

(A) \$250,000 to be reserved to fund contracted services for research and findings, related to families of children and the services and interventions provided to those families who are or have been in the custody of the Commissioner of the Department for Children and Families; and policy recommendations resulting from this research.

(B) \$25,000 to be reserved to fund contracted services for research and findings related to the detention population of the Department of Corrections (DOC) and policy recommendations to reduce this population and/or reduce the need for DOC in-state bed capacity for this population.

(b) The following transfers are made from the General Fund in fiscal year 2019:

(1) State Treasurer: \$22,200,000 from the General Fund to the Retired Teachers' Health and Medical Benefits Fund to repay-in-full in fiscal year 2019 the interfund loan obligation authorized by 16 V.S.A. § 1944b(e). This transfer shall be recognized as an additional contribution to the Retired Teachers' Health and Medical Fund in fiscal year 2019.

(2) State Treasurer: \$3,293,817 from the General Fund to the Vermont Teachers' Retirement Fund, established pursuant to 16 V.S.A. § 1944. This amount reflects an additional contribution above the actuarily determined employer contribution and the VSTRS Board of Trustees' request for fiscal year 2020. This amount shall be transferred in fiscal year 2019.

Sec. 89. 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.

* * *

(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 Vermont State Employees' Post-Employment Benefits Trust Fund established by 3 V.S.A. § 479a.

* * *

Sec. 90. 16 V.S.A. § 1944b is amended to read:

§ 19446b. RETIRED TEACHERS' HEALTH AND MEDICAL BENEFITS FUND

* * *

(d) Interest earned shall remain in the Benefits Fund, and all balances remaining at the end of a fiscal year shall be carried over to the following year; provided, however, that any amounts received in repayment of interfund loans established under subsection (e) of this section may be reinvested by the State Treasurer.

(e)(1) Notwithstanding any provision to the contrary, the State Treasurer is authorized to use interfund loans from the General Fund for payment into the Benefits Fund, which monies shall be identified exclusively for the purposes of payments of retired teacher health and medical benefits pursuant to this section. Any monies borrowed through an interfund loan pursuant to this section shall be paid from monies in the Benefits Fund or from other funds legally available for this purpose. It is the intent of the General Assembly to appropriate sufficient General Fund revenue, after consideration of all other revenue and disbursements, such that the interfund loan shall be paid in full on or before June 30, 2023. The Governor shall include in the annual budget request an amount sufficient to repay any interfund borrowing according to a schedule developed by the State Treasurer. The State Treasurer shall pay the interest and principal as due in accordance with authority granted under

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32 V.S.A. § 902(b). The State Treasurer shall assess a rate of interest on the outstanding balance of the interfund loan comparable to the rate paid by private depositories of the State's monies, or to the yield available on investments made pursuant to 32 V.S.A. § 433. No interfund loans made under this authority shall, in the aggregate, exceed \$28,500,000.00.

(2) For the purposes of this chapter, calculation of the interfund loan limit shall include long-term receivables and payables but shall not include accruals for federal reimbursement of employer group waiver plan receivables pursuant to subdivision 1944b(b)(1) of this title, receivables due from local school systems pursuant to section 1944d of this title, or any short-term accruals. [Repealed.]

(f) It is the intent of the General Assembly to appropriate the required contributions necessary to pay retired teacher health and medical benefits by combining annual increases in base appropriations, but not from the Education Fund, and surplus revenues as they become available, so that the full cost of retired teacher health and medical benefits payments shall be met in base appropriations by fiscal year 2023. To the extent that other revenue sources are identified, the General Fund obligation shall not be reduced, until all annual disbursements to repay the interfund loan in subsection (e) of this section are satisfied. Contributions to the Benefits Fund shall be irrevocable and it shall be impossible at any time prior to the satisfaction of all liabilities, with respect to employees and their beneficiaries, for any part of the corpus or income of the Benefits Fund to be used for, or diverted to, purposes other than the payment of retiree postemployment benefits to members and their beneficiaries and reasonable expenses of administering the Benefits Fund and related benefit plans.

(g) The Treasurer shall report on the status of the interfund loan balance allowed under this section as part of the annual budget presentation to the General Assembly. [Repealed.]

Sec. 91. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106 is amended to read:

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 use in 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. or to be carried forward as follows:

(A) \$125,000 in fiscal year 2019 for the CHINS workgroup to contract with an entity with expertise in justice reform to review and propose changes to the systems by which CHINS cases are processed and adjudicated. Models used in other countries, states, or cities shall be considered and a proposal to provide holistic reform, procedural justice, and strategies to reduce the need for intervention by DCF and the courts shall be submitted to the General Assembly. In developing the proposal, the consultant shall seek input from community members, service providers, and people involved in family court proceedings. The proposal shall recommend a budget and evaluation system and a specific evaluation methodology for determining the long term continuation of the Judicial Masters pilot programs funded in subdivision (1)(C) of this subsection.

(B) \$25,000 in fiscal year 2019 for the CHINS workgroup to engage a consultant of to evaluate existing home visiting models, including a review of programs currently offered in Vermont and those offered in other states and countries, particularly those that focus on public health and the social welfare of the whole family, including housing, employment, mental health and substance use disorders. The consultant shall recommend model pilots in two or more districts for testing the proposal. The proposal shall include a twoyear budget and a proposal for evaluation, for funding in fiscal year 2020.

(C) \$400,000 in fiscal year 2019 to the Judiciary for a two-district judicial master pilot to encourage parents to follow case plans/remain engaged in treatment and would weigh in on any nonevidentiary proceedings including but not limited to: parent-child contact; status conferences; screening cases for mediation or restorative processes such as family group conferencing; and preliminary hearings

(D) \$700,000 allocated in fiscal year 2019 and carried forward to fiscal year 2020 pending submission of a proposal. The CHINS workgroup shall continue its evaluation of strategic reforms to the CHINS system and may submit proposals upon which they have reached agreement to the General Assembly for approval. These proposals may include the use of judicial masters, alternative dispute resolution, and peer navigators. The proposals shall have a budget and proposed method of evaluation.

(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.

* * *

Sec. 92. ESTABLISHMENT OF COMPLEX LITIGATION SPECIAL FUND; EFFECTIVE DATE

(a) Notwithstanding 1 V.S.A. § 214 or any provision of 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. G.100 to the contrary, the Complex Litigation Special Fund established in 3 V.S.A. § 167a by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.200.1 shall be treated, for purposes of receiving the funds appropriated by 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.105(a)(3), as though it had taken effect on June 30, 2018.

Sec. 93. VIDEO RECORDS RETENTION POLICY RECOMMENDATIONS

(a) On or before March 15, 2019, the Commissioner of Public Safety shall report to the House and Senate Committees on Judiciary and on Appropriations on proposed video records retention policies for the Vermont State Police (or Vermont law enforcement agencies). The proposed policies shall address:

(1) the length of time to maintain standard video records that are unrelated to a particular case or incident and were recorded by a dash-mounted or body-mounted camera;

(2) the process for members of the public to request that records be retained for longer than the standard retention period, and a recommended duration for extensions of the standard period;

(3) the manner in which the public shall be notified and kept informed about the retention policy; and

(4) the budget for storage of records with a cloud-based service, and the amount that would be saved by using a cloud-based service instead of the existing on-site physical storage facility.

(b) The Commissioner shall consult with the Vermont State Archives and Records Administration (VSARA) and the Agency of Digital Services for purposes of making the proposals required by subsection (a) of this section.

Sec. 94. WOODSIDE TRANSITION PLAN

(a) Given the loss of federal matching funds for the Woodside facility, on or before April 1, 2019 the Department for Children and Families shall submit a plan to the House and Senate Committees on Judiciary and on Appropriations related to the cessation of operations of the Woodside facility as of July 1, 2019 or the continuation of operations beyond July 1, 2019 limited only to short-term placements of delinquent youth. Any plan should be consistent with legislative intent related to loss of federal funding expressed in 2017 Acts and Resolves No. 85, Sec. E.327.

(b) Long-term planning to meet the needs for serving delinquent youth in State shall be informed by the work of the CHINS workgroup convened pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106 and any research or study regarding families of children who are placed in the custody of the Commissioner for Children and Families.

Sec. 95. 2014 Acts and Resolves No.179, Sec E.500.1(b) and (c), as amended by 2015 Acts and Resolves No. 58, Sec. E.500.1 is further amended to read:

Sec. E.500.1 UNIFORM CHART OF ACCOUNTS COMPLETION, TRANSITION, TRAINING AND SUPPORT

(b) The Agency of Education shall hire a contractor or contractors through the State's procurement process to assist them in the establishment and completion of the requirements of subsection (a) of this section. Contract deliverables shall include:

* * *

(1) a comprehensive accounting manual, with related business rules;

(2) specifications for school financial software;

(3) a detailed transition and support plan that ensures local reporting entities required to record and report information consistent with requirements of subsection (a) of this section can fully comply on or before July 1, $\frac{2019}{2020}$.

(c) the requirements of the subsection (a) of this section shall be in effect by July 1, 2019 2020.

Sec. 96. 18 V.S.A. § 4808 is amended as follows:

§ 4808. TREATMENT AND SERVICES

(a) When a law enforcement officer encounters a person who, in the judgment of the officer, is intoxicated as defined in section 4802 of this title, the officer may assist the person, if he or she consents, to his or her home, to

an approved substance abuse treatment program, or to some other mutually agreeable location.

(b) When a law enforcement officer encounters a person who, in the judgment of the officer, is incapacitated as defined in section 4802 of this title, the person shall be taken into protective custody by the officer. The officer shall transport the incapacitated person directly to an approved substance abuse treatment program with detoxification capabilities or to the emergency room of a licensed general hospital for treatment, except that if a substance abuse crisis team or a designated substance abuse counselor exists in the vicinity and is available, the person may be released to the team or counselor at any location mutually agreeable between the officer and the team or counselor. The period of protective custody shall end when the person is released to a substance abuse crisis team, a designated substance abuse counselor, a clinical staff person of an approved substance abuse treatment program with detoxification capabilities, or a professional medical staff person at a licensed general hospital emergency room. The person may be released to his or her own devices if, at any time, the officer judges him or her to be no longer incapacitated. Protective custody shall in no event exceed 24 hours.

(c) If an incapacitated person is taken to an approved substance abuse treatment program with detoxification capabilities and the program is at capacity, the person shall be taken to the nearest licensed general hospital emergency room for treatment.

(d) A person judged by a law enforcement officer to be incapacitated and who has not been charged with a crime may be lodged in protective custody in a secure facility not operated by the Department of Corrections for up to 24 hours or until judged by the person in charge of the facility to be no longer incapacitated, if and only if:

(1) the person refuses to be transported to an appropriate facility for treatment or, if once there, refuses treatment or leaves the facility before he or she is considered by the responsible staff of that facility to be no longer incapacitated; or

(2) no approved substance abuse treatment program with detoxification capabilities and no staff physician or other medical professional at the nearest licensed general hospital can be found who will accept the person for treatment.

(e) No person shall be lodged in a secure facility under subsection (d) of this section without first being evaluated and found to be indeed incapacitated by a substance abuse crisis team, a designated substance abuse counselor, a clinical staff person of an approved substance abuse treatment program with detoxification capabilities, or a professional medical staff person at a licensed general hospital emergency room.

(f) A lockup not operated by the Department of Corrections shall not refuse to admit an incapacitated person in protective custody whose admission is requested by a law enforcement officer, in compliance with the conditions of this section.

(g) Notwithstanding subsection (d) of this section, a person under 18 years of age who is judged by a law enforcement officer to be incapacitated and who has not been charged with a crime shall not be held at a lockup or community correctional center. If needed treatment is not readily available, the person shall be released to his or her parent or guardian. If the person has no parent or guardian in the area, arrangements shall be made to house him or her according to the provisions of 33 V.S.A. chapter 53. The official in charge of an adult jail or lockup shall notify the Director of the Office of Drug and Alcohol Abuse Programs of any person under 18 years of age brought to an adult jail or lockup pursuant to this chapter.

(h) If an incapacitated person in protective custody is lodged in a secure facility, his or her family or next of kin shall be notified as promptly as possible. If the person is an adult and requests that there be no notification, his or her request shall be respected.

(i) A taking into protective custody under this section is not an arrest.

(j) Law enforcement officers, persons responsible for supervision in a secure facility, members of a substance abuse crisis team, and designated substance abuse counselors who act under the authority of this section are acting in the course of their official duty and are not criminally or civilly liable therefor, unless for gross negligence or willful or wanton injury. [Repealed.]

Sec. 97. 18 V.S.A. § 4809 is amended to read:

§ 4809. INCARCERATION FOR INEBRIATION PROHIBITED

A person who has not been charged with a crime shall not be incarcerated in a facility operated by the Department of Corrections on account of the person's inebriation. [Repealed.]

Sec. 98. 18 V.S.A. § 4810 is added to read:

§ 4810. TREATMENT AND SERVICES

(a) When a law enforcement officer encounters a person who, in the judgment of the officer, is intoxicated as defined in section 4802 of this title, the officer may assist the person, if he or she consents, to his or her home, to

an approved substance abuse treatment program, or to some other mutually agreeable location.

(b) When a law enforcement officer encounters a person who, in the judgment of the officer, is incapacitated as defined in section 4802 of this title, the person shall be taken into protective custody by the officer. The officer shall transport the incapacitated person directly to an approved substance abuse treatment program with detoxification capabilities or to the emergency room of a licensed general hospital for treatment, except that if a substance abuse crisis team or a designated substance abuse counselor exists in the vicinity and is available, the person may be released to the team or counselor at any location mutually agreeable between the officer and the team or counselor. The period of protective custody shall end when the person is released to a substance abuse crisis team, a designated substance abuse counselor, a clinical staff person of an approved substance abuse treatment program with detoxification capabilities, or a professional medical staff person at a licensed general hospital emergency room. The person may be released to his or her own devices if, at any time, the officer judges him or her to be no longer incapacitated. Protective custody shall in no event exceed 24 hours.

(c) If an incapacitated person is taken to an approved substance abuse treatment program with detoxification capabilities and the program is at capacity, the person shall be taken to the nearest licensed general hospital emergency room for treatment.

(d) A person judged by a law enforcement officer to be incapacitated and who has not been charged with a crime may be lodged in protective custody in a lockup or community correctional center for up to 24 hours or until judged by the person in charge of the facility to be no longer incapacitated, if and only if:

(1) the person refuses to be transported to an appropriate facility for treatment or, if once there, refuses treatment or leaves the facility before he or she is considered by the responsible staff of that facility to be no longer incapacitated; or

(2) no approved substance abuse treatment program with detoxification capabilities and no staff physician or other medical professional at the nearest licensed general hospital can be found who will accept the person for treatment.

(e) No person shall be lodged in a lockup or community correctional center under subsection (d) of this section without first being evaluated and found to be indeed incapacitated by a substance abuse crisis team, a designated substance abuse counselor, a clinical staff person of an approved substance abuse treatment program with detoxification capabilities, or a professional medical staff person at a licensed general hospital emergency room.

(f) No lockup or community correctional center shall refuse to admit an incapacitated person in protective custody whose admission is requested by a law enforcement officer, in compliance with the conditions of this section.

(g) Notwithstanding subsection (d) of this section, a person under 18 years of age who is judged by a law enforcement officer to be incapacitated and who has not been charged with a crime shall not be held at a lockup or community correctional center. If needed treatment is not readily available, the person shall be released to his or her parent or guardian. If the person has no parent or guardian in the area, arrangements shall be made to house him or her according to the provisions of 33 V.S.A. chapter 53. The official in charge of an adult jail or lockup shall notify the Director of the Office of Drug and Alcohol Abuse Programs of any person under 18 years of age brought to an adult jail or lockup pursuant to this chapter.

(h) If an incapacitated person in protective custody is lodged in a lockup or community correctional center, his or her family or next of kin shall be notified as promptly as possible. If the person is an adult and requests that there be no notification, his or her request shall be respected.

(i) A taking into protective custody under this section is not an arrest.

(j) Law enforcement officers or persons responsible for supervision in a lockup or community correctional center or members of a substance abuse crisis team or designated substance abuse counselors who act under the authority of this section are acting in the course of their official duty and are not criminally or civilly liable therefor, unless for gross negligence or willful or wanton injury.

Sec. 99. 18 V.S.A. § 4810 is amended to read:

§ 4810. TREATMENT AND SERVICES

* * *

(d) A person judged by a law enforcement officer to be incapacitated and who has not been charged with a crime may be lodged in protective custody in a lockup or community correctional center secure facility not operated by the Department of Corrections for up to 24 hours or until judged by the person in charge of the facility to be no longer incapacitated, if and only if:

(1) the person refuses to be transported to an appropriate facility for treatment or, if once there, refuses treatment or leaves the facility before he or she is considered by the responsible staff of that facility to be no longer incapacitated; or (2) no approved substance abuse treatment program with detoxification capabilities and no staff physician or other medical professional at the nearest licensed general hospital can be found who will accept the person for treatment.

(e) No person shall be lodged in a lockup or community correctional center secure facility under subsection (d) of this section without first being evaluated and found to be indeed incapacitated by a substance abuse crisis team, a designated substance abuse counselor, a clinical staff person of an approved substance abuse treatment program with detoxification capabilities, or a professional medical staff person at a licensed general hospital emergency room.

(f) No lockup or community correctional center shall <u>A secure facility not</u> operated by the Department of Corrections shall not refuse to admit an incapacitated person in protective custody whose admission is requested by a law enforcement officer, in compliance with the conditions of this section.

(g) Notwithstanding subsection (d) of this section, a person under 18 years of age who is judged by a law enforcement officer to be incapacitated and who has not been charged with a crime shall not be held at a lockup or community correctional center. If needed treatment is not readily available, the person shall be released to his or her parent or guardian. If the person has no parent or guardian in the area, arrangements shall be made to house him or her according to the provisions of 33 V.S.A. chapter 53. The official in charge of an adult jail or lockup shall notify the Director of the Office of Drug and Alcohol Abuse Programs of any person under 18 years of age brought to an adult jail or lockup pursuant to this chapter.

(h) If an incapacitated person in protective custody is lodged in a lockup or community correctional center secure facility, his or her family or next of kin shall be notified as promptly as possible. If the person is an adult and requests that there be no notification, his or her request shall be respected.

(i) A taking into protective custody under this section is not an arrest.

(j) Law enforcement officers Θr_2 persons responsible for supervision in a lockup or community correctional center or secure facility, members of a substance abuse crisis team Θr_2 and designated substance abuse counselors who act under the authority of this section are acting in the course of their official duty and are not criminally or civilly liable therefor, unless for gross negligence or willful or wanton injury.

Sec. 100. 18 V.S.A. § 4811 is added to read:

§ 4811. INCARCERATION FOR INTOXICATION PROHIBITED

A person who has not been charged with a crime shall not be incarcerated in a secure facility operated by the Department of Corrections on account of the person's intoxication.

Sec. 101. GRANT AND POSITION REQUESTS

(a) The following grant or limited-service position requests are hereby accepted and appropriated to the department indicated for the purpose specified by the grantor:

(1) JFO #2945 - \$499,912 from the U.S. Department of Agriculture to the Vermont Agency of Agriculture, Food and Markets. The funding would allow the Agency to implement a multi-pronged maple products marketing campaign, including: public relations, promotional materials, a marketing plan, expansion of the annual Maple Open House Weekend into a month-long event, and an international trade mission. One (1) limited service position is associated with this request.

(2) JFO #2946 - \$41,750 from the Northern Border Regional Commission to the Vermont Agency of Agriculture, Food and Markets. The funding would be combined with a \$26,250 State match to convene a two-day dairy summit focused on farmer resiliency, processor engagement, and dairy market evolution.

(3) JFO #2948 - One (1) limited-service position within the Vermont Military Department. The position would be titled Records and Information Management (RIM) Specialist and would assist the State in conformance to federal requirements for military document management. The position would be 100 percent federally funded.

(4) JFO #2949 - One (1) limited-service position within the Vermont Department of Public Safety. The position would be titled Homeland Security Program Planner and would be responsible for managing the Vermont Critical Infrastructure Program and with performing outreach to organizations that may be targets of terrorist activities. The position would be 100 percent federally funded.

Sec. 102. 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. 87, Sec. 47, as amended by 2018 (Sp. Sess.) Acts and Resolves No. 11 Sec. E.111.1 is further amended to read:

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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:

* * *

(C) The Forty percent of 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, including new 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 the data maintenance costs related to the model; and G) implementation of an ancillary scanning system to enhance the operation of tax types incorporated into the integrated tax system solution; and H) planning for and implementation of education property tax grand list management software, including present-day analysis of business case and business requirements, requests for proposals and due diligence. 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.

* * *

(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 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 Fund which would receive the underlying tax receipts annually until the expiration of the Tax Computer Modernization Fund. [Repealed.]

* * *

Sec. 103. SUPERVISION IN EMERGENCY DEPARTMENTS

(a) The Department of Mental Health shall study security protocols in emergency departments to ensure the safety of patients and hospital staff and compliance with federal regulations in consultation with:

(1) the Vermont Association of Hospitals and Health Systems;

(2) Vermont Care Partners;

(3) the Department of State's Attorneys and Sheriffs; and

(4) an individual who provides peer support services in an emergency department, appointed by Vermont Psychiatric Survivors.

(b) On or before April 1, 2019, the Department of Mental Health shall submit its findings and recommendations to the House Committees on Appropriations and on Health Care and to the Senate Committees on Appropriations and on Health and Welfare.

Sec. 104. EFFECTIVE DATES

(a) Notwithstanding 1 V.S.A. § 214 or any other act or provision, Secs. 64– 72 (State Health Care Resources Fund), 74 (32 V.S.A. § 10503), 75 (33 V.S.A. § 1951), and 76 (33 V.S.A. § 1956) and Sec. 85 amending 16 V.S.A. § 2857 shall take effect on passage and apply retroactively to July 1, 2018.

(b) Sec. 73 (further amending 32 V.S.A. § 10402) shall take effect on July 1, 2019.

(c) Secs. 99 and 100 (amending 18 V.S.A. §§ 4910 and 4811) shall take effect on July 1, 2025.

(d) Notwithstanding 1 V.S.A. § 214 or any other act or provision, Sec. 102 (Tax Computer System Modernization Fund) shall take effect on passage and apply retroactively to January 1, 2019.

(e) This section and all remaining sections shall take effect on passage.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House to amend the bill as recommended by the Committee on Appropriations?, Senators Kitchel, Ashe, McCormack, Nitka, Sears, Starr and Westman moved to amend the proposal of amendment of the Committee on Appropriations by striking out Sec. 94 in its entirety and inserting in lieu thereof a new Sec. 94 to read as follows:

Sec. 94. WOODSIDE TRANSITION PLAN

(a) Given the loss of federal matching funds for the Woodside facility, on or before April 1, 2019 the Department for Children and Families shall submit a plan to the House and Senate Committees on Judiciary and on Appropriations related to the continuation of operations beyond July 1, 2019 limited only to short-term placements of delinquent youth. Any plan should be consistent with legislative intent related to loss of federal funding expressed in 2017 Acts and Resolves No. 85, Sec. E.327. Any plan should also consider the role of Woodside in the system of care and evaluate the current need and other treatment options for youth in Vermont and out-of-state.

(b) Long-term planning to meet the needs for serving delinquent youth in State shall be informed by the work of the CHINS workgroup convened pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106 and any research or study regarding families of children who are placed in the custody of the Commissioner for Children and Families.

Senator Ashe Assumes the Chair

Which was agreed to.

President Assumes the Chair

Thereupon, the proposal of amendment of the Committee on Appropriations, as amended was agreed to and third reading of the bill was ordered on a roll call, Yeas 28, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Clarkson, Starr.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 13, 2019.

WEDNESDAY, FEBRUARY 13, 2019

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

Devotional Exercises

Devotional exercises were conducted by the Reverend Peter Plagge of Waterbury.

Message from the Governor Appointments Referred

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

The nomination of

Hildebrant, Rick A. of Clarendon - Member of the Board of Medical Practice - from February 5, 2019 to December 31, 2023.

To the Committee on Health and Welfare.

The nomination of

Tortolani, Robert E. of Brattleboro - Member of the Board of Medical Practice - from February 5, 2019 to December 31, 2023.

To the Committee on Health and Welfare.

Bills Introduced

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

President Assumes the Chair

S. 102.

By Senator Lyons,

An act relating to the evaluation of the carbon impact on business tax credits in Vermont.

To the Committee on Finance.

S. 103.

By Senator Lyons,

An act relating to calculating premium rates for fully insured association health plans.

To the Committee on Finance.

S. 104.

By Senators Parent, Benning, Brock, Collamore, McNeil and Rodgers,

An act relating to various amendments to Act 250.

To the Committee on Natural Resources and Energy.

S. 105.

By Senator Sears,

An act relating to miscellaneous judiciary procedures.

To the Committee on Judiciary.

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

H. 97.

House bill entitled:

An act relating to fiscal year 2019 budget adjustments.

Was taken up.

Thereupon, pending third reading of the bill, Senators Kitchel, Ashe, McCormack, Nitka, Sears, Starr and Westman moved to amend the Senate proposal of amendment as follows:

<u>First:</u> By striking out Sec. 50 in its entirety and inserting in lieu thereof a new Sec. 50 to read as follows:

Sec. 50. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.903 is amended to read:

Sec. B.903 Transportation - program development

Personal services	50,457,603	50,457,603
Operating expenses	216,263,480	218,063,480
Grants	<u>34,168,390</u>	<u>34,168,390</u>
Total	300,889,473	302,689,473
Source of funds		

Transportation fund	42,549,882	43,723,252
TIB fund	11,894,706	12,521,336
Federal funds	244,766,072	244,766,072
Interdepartmental transfers	239,345	239,345
Local match	<u>1,439,468</u>	<u>1,439,468</u>
Total	300,889,473	302,689,473

<u>Second:</u> by striking out Sec. 55 in its entirety and inserting in lieu thereof a new Sec. 55 to read as follows:

Sec. 55. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.922 is amended to read:

Sec. B.922 Total transportation

Source of funds

Transportation fund	251,072,742	257,165,781
TIB fund	13,202,337	13,828,967
Special funds	3,819,457	1,419,457
Federal funds	318,917,135	318,917,135
Internal service funds	20,684,524	20,684,524
Interdepartmental transfers	1,053,100	1,053,100
Local match	2,131,800	2,131,800
Total	610,881,095	615,200,764

<u>Third:</u> By striking out Sec. 91 in its entirety and inserting in lieu thereof a new Sec. 91 to read as follows:

Sec. 91. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106 is amended to read:

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 use in 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. or to be carried forward as follows:

(A) \$125,000 in fiscal year 2019 for the Judiciary, in consultation with the CHINS workgroup to contract with an entity with expertise in justice reform to review and propose changes to the systems by which CHINS cases are processed and adjudicated. Models used in other countries, states, or cities shall be considered and a proposal to provide holistic reform, procedural justice, and strategies to reduce the need for intervention by DCF and the courts shall be submitted to the General Assembly. In developing the proposal, the consultant shall seek input from community members, service providers, and people involved in family court proceedings. The proposal shall recommend a budget and evaluation system and a specific evaluation methodology for determining the long-term continuation of the judicial master pilot programs funded in subdivision (1)(C) of this subsection.

(B) \$25,000 in fiscal year 2019 for the Department for Children and Families, in consultation with the CHINS workgroup to engage a consultant of to evaluate existing home visiting models, including a review of programs currently offered in Vermont and those offered in other states and countries, particularly those that focus on public health and the social welfare of the whole family, including housing, employment, mental health and substance use disorders. The consultant shall recommend model pilots in two or more districts for testing the proposal. The proposal shall include a two-year budget and a proposal for evaluation, for funding in fiscal year 2020.

(C) \$400,000 in fiscal year 2019 to the Judiciary for a multi-unit judicial master pilot to encourage parents to follow case plans and to remain engaged in treatment. The judicial master in this pilot may conduct proceedings including, but not limited to, parent-child contact; status conferences; screening cases for mediation or restorative processes such as family group conferencing, and preliminary hearings.

(D) \$700,000 allocated in fiscal year 2019 and carried forward to fiscal year 2020 pending, submission of a proposal. The CHINS workgroup shall continue its evaluation of strategic reforms to the CHINS system and may submit proposals upon which they have reached agreement to the General Assembly for approval. These proposals may include the use of judicial masters, alternative dispute resolution, and peer navigators. The proposals shall have a budget and proposed method of evaluation.

(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.

* * *

Which was agreed to.

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

Bill Amended; Third Reading Ordered

S. 40.

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

An act relating to testing and remediation of lead in the drinking water of schools and child care facilities.

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

Sec. 1. 18 V.S.A. chapter 24A is added to read:

CHAPTER 24A. LEAD IN DRINKING WATER OF SCHOOLS AND CHILD CARE FACILITIES

§ 1241. PURPOSE

The purpose of this chapter is to require all school districts, supervisory unions, independent schools, and child care providers in Vermont to:

(1) test drinking water in their buildings and child care facilities for lead contamination; and

(2) develop and implement an appropriate response or lead remediation plan when sampling indicates unsafe lead levels in drinking water at a school or child care facility.

§ 1242. DEFINITIONS

As used in this chapter:

(1) "Action level" means three parts per billion (ppb) of lead.

(2) "Building" means any structure, facility, addition, or wing that may be occupied or used by children or students.

(3) "Child care provider" has the same meaning as in 33 V.S.A. § 3511.

(4) "Child care facility" or "facility" has the same meaning as in 33 V.S.A. § 3511.

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

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

(7) "Drinking water" has the same meaning as in 10 V.S.A. § 1671.

(8) "First-draw sample" means a 250 milliliter sample of drinking water that:

(A) has been standing in plumbing pipes at least eight hours;

(B) is collected without flushing the tap; and

(C) is conducted before a building or child care facility opens or is in

(9) "Flush sample" means a sample of drinking water from an outlet that:

(A) is taken from the outlet after the water has run for 30 seconds; and

(B) is conducted before a building or child care facility opens or is in use.

(10) "Independent school" has the same meaning as in 16 V.S.A. § 11.

(11) "Outlet" means a drinking water fixture currently or potentially used for consumption or cooking purposes, including a drinking fountain, ice machine, or a faucet.

(12) "Potable water" means water sufficient for consumption and free from impurities in amounts sufficient to cause disease or harmful physiological effects with the bacteriological, chemical, physical, or radiological quality conforming to applicable rules or standards adopted by the Agency of Natural Resources and the Department of Health.

(13) "School district" has the same meaning as in 16 V.S.A. § 11.

(14) "Supervisory union" has the same meaning as in 16 V.S.A. § 11.

§ 1243. TESTING OF DRINKING WATER

(a) Scope of testing.

use.

(1) Each school district, supervisory union, or independent school in the State shall test drinking water in the buildings it owns, controls, or operates for lead contamination as required under this chapter.

(2) Each child care provider in the State shall test drinking water in a child care facility it owns, controls, or operates for lead contamination as required under this chapter.

(b) Initial sampling.

(1) On or before January 1, 2020, each school district, supervisory union, independent school, or child care provider in the State shall collect a first-draw sample and a flush sample from each outlet in each building or facility it owns, controls, or operates. Sampling shall occur during the school year of a school district, supervisory union, or independent school.

(2) At least five days prior to sampling, the school district, supervisory union, independent school, or child care provider shall notify all staff and all parents or guardians of students directly in writing or by electronic means of:

(A) the scheduled sampling;

(B) the requirements for testing, why testing is required, and the potential health effects from exposure to lead in drinking water;

(C) information regarding how the school district, supervisory union, independent school, or child care provider shall provide notice of the sample results; and

(D) how the school district, supervisory union, independent school, or child care provider shall respond to a sample that exceeds the action level.

(3) The Department may adopt a schedule for the initial sampling by school districts, supervisory unions, independent schools, and child care providers.

(c) Continued sampling. After January 1, 2020, each school district, supervisory union, independent school, or child care provider in the State shall sample each outlet in each building or facility it owns, controls, or operates for lead according to a schedule adopted by the Department by rule under section 1247 of this title.

(d) Interim methodology. Prior to adoption of the rules required under section 1247 of this title, sampling under this section shall be conducted according to a methodology established by the Department of Health, provided that the methodology shall be at least as stringent as the sampling methodology provided for under the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools.

(e) Waiver.

(1) The Commissioner shall waive the requirement that a school district, supervisory union, independent school, or child care provider sample drinking water under this section upon a finding that the school district, supervisory union, independent school, or child care provider:

(A) completed sampling of all outlets in each building or facility it owns, controls, or operates in the calendar year preceding January 1, 2020;

(B) conducted sampling according to a methodology consistent with the Department methodology established under subsection (d) of this section; and

(C) implemented or scheduled remediation that ensures that drinking water from all outlets does not exceed the action level.

(2) A school district, supervisory union, independent school, or child care provider that receives a waiver under this subsection shall be eligible for assistance from the State for the costs of remediation that has been implemented or scheduled as a result of sampling conducted in the calendar year preceding January 1, 2020.

(f) Laboratory analysis. The analyses of drinking water samples required under this chapter shall be conducted by the Vermont Department of Health Laboratory or by a certified laboratory under contract to the Department.

§ 1244. RESPONSE TO ACTIONABLE LEVEL; NOTICE; REPORTING

If a sample of drinking water under section 1243 of this title indicates an exceedance of the action level at an outlet, the school district, supervisory union, independent school, or child care provider that owns, controls, or operates the building or facility in which the outlet is located shall conduct remediation to eliminate or reduce lead levels in the drinking water from the outlet. In conducting remediation, a school district, supervisory union, independent school, or child care provider shall strive to achieve the lowest level of lead possible in drinking water and, at a minimum, shall:

(1) prohibit use of an outlet that exceeds the action level until a lead remediation plan or other remediation approved by the Commissioner is implemented and:

(A) sampling indicates that lead levels from the outlet are below the action level; or

(B) the outlet is permanently removed and cannot be accessed by any person;

(2) after a lead remediation plan or other approved remediation is implemented, retest the outlet until results indicate that the lead levels are at or below the action level;

(3) provide occupants of the building or child care facility an adequate supply of potable water for drinking and cooking until remediation is performed; (4) notify all staff and all parents or guardians of students directly of the test results, in writing or by electronic means, within 10 business days after receipt of the laboratory report; and

(5) submit lead remediation plans to the Department as they are completed.

§ 1245. RECORD KEEPING; PUBLIC NOTIFICATION; DATABASE

(a) Record keeping. The Department of Health shall retain all records of test results, laboratory analyses, lead remediation plans, and waiver requests for 10 years following the creation or acquisition of the record. Records produced or acquired by the Department under this chapter are public records subject to inspection or copying under the Public Records Act.

(b) Public notification. On or before March 1, 2020, the Commissioner shall publish on the Department website the data from testing under section 1243 of this title so that the results of sampling are fully transparent and accessible to the public. The data published by the Department shall include a list of all buildings or facilities owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider at which an outlet exceeded the action level within the previous two years of reported samples. The Commissioner shall publish all retesting data on the Department's website within two weeks of receipt of the relevant laboratory analysis. The Secretary of Education shall include a link on the Agency of Education website to the Department of Health website required under this subsection.

§ 1246. LEAD REMEDIATION PLAN; GUIDANCE

(a) Consultation. When a laboratory analysis of a sample of drinking water from an outlet at a building or facility owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider exceeds the action level, the school district, supervisory union, independent school, or child care provider shall consult with the Commissioner regarding the development of a lead remediation plan or other necessary response.

(b) Guidance; lead remediation plan. The Commissioner, after consultation with the Secretary of Natural Resources and the Secretary of Education, shall issue guidance on development of a lead remediation plan by a school district, supervisory union, independent school, or child care provider. The guidance provided by the Commissioner shall reference the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools.

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§ 1247. RULEMAKING

(a) The Commissioner shall adopt rules under this chapter to achieve the purposes of this chapter. It is the intent of the General Assembly that the rules adopted under this section shall be no less stringent than the requirements of the U.S. Environmental Protection Agency's 3Ts for Reducing Lead in Drinking Water in Schools.

(b) On or before November 1, 2020, the Commissioner, with continuing consultation with the Secretary of Natural Resources and the Secretary of Education, shall adopt rules regarding the implementation of the requirements of this chapter. The rules shall include:

(1) requirements or guidance for taking samples of drinking water from outlets in a building or facility owned, controlled, or operated by a school district, supervisory union, independent school, or child care provider;

(2) the frequency of sampling required, including additional sampling requirements when there is an exceedance of the action level at an outlet;

(3) requirements for implementation of a lead mitigation plan or other necessary response to a reported exceedance of the action level;

(4) conditions or criteria for the waiver of sampling required under this chapter; and

(5) any other requirements that the Commissioner deems necessary for the implementation of the requirements of this chapter.

§ 1248. ENFORCEMENT; PENALTIES

In addition to any other authority provided by law, the Commissioner of Health or a hearing officer designated by the Commissioner may, after notice and an opportunity for hearing, impose an administrative penalty of up to \$500.00 for a violation of the requirements of this chapter. The hearing before the Commissioner shall be a contested case subject to the provisions of 3 V.S.A. chapter 25.

Sec. 2. 16 V.S.A. § 4001(6) is amended to read:

(6) "Education spending" means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

* * *

(B) For purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), "education spending" shall not include:

* * *

(xi) Costs incurred by a school district or supervisory union when sampling drinking water outlets, implementing lead remediation, or retesting drinking water outlets as required under 18 V.S.A. chapter 24A.

Sec. 3. APPROPRIATIONS; POSITIONS; SAMPLING OF DRINKING WATER OUTLETS IN SCHOOLS

(a) In addition to any other funds appropriated to the Department of Health (Department) in fiscal year 2019, the following amounts are appropriated to the Department in fiscal year 2019 for the purposes of implementing the requirements in 18 V.S.A. chapter 24A that a school district, supervisory union, independent school, or child care provider test drinking water outlets for lead:

(1) \$1,350,000.00 for the costs of sampling drinking water outlets by school districts, supervisory unions, independent schools, or child care providers;

(2) \$190,000.00 for the costs of retesting drinking water outlets by school districts, supervisory unions, independent schools, or child care providers;

(3) \$700,000.00 to cost share with school districts, supervisory unions, independent schools, or child care providers the costs of implementing remediation.

(b) In addition to any other funds appropriated to the Agency of Natural Resources in fiscal year 2019, \$125,000.00 is appropriated to the Agency in fiscal year 2019 to hire an environmental analyst to assist in remediation required under 18 V.S.A. chapter 24A.

(c) The establishment of the following new classified limited service positions is authorized in fiscal year 2019:

(1) In the Agency of Natural Resources – environmental analyst V.

(2) In the Department of Health – public health analyst.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

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

Sec. 3. POSITIONS; SAMPLING OF DRINKING WATER OUTLETS IN SCHOOLS

The establishment of the following new classified limited service positions are authorized in fiscal year 2019:

(1) In the Agency of Natural Resources – environmental analyst V.

(2) In the Department of Health – public health analyst.

And that when so amended the bill ought to pass.

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

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

Thereupon, third reading of the bill was ordered.

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 passed a House bill of the following title:

H. 146. An act relating to increasing the number of examiners on the Board of Bar Examiners from nine to 11 members.

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

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

J.R.S. 15. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Thursday, February 14, 2019.

THURSDAY, FEBRUARY 14, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Joan Javier-Duval of Montpelier.

Bill Referred to Committee on Appropriations

S. 23.

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

An act relating to increasing the minimum wage.

Proposed Amendment to the Constitution Introduced

The Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 6 was introduced, read the first time and referred:

By Senators Westman and Starr,

PROPOSAL 6

Sec. 1. PURPOSE

(a) This proposal would amend the Constitution of the State of Vermont to provide Senators with a four-year term of office, beginning in the year 2024.

(b) This proposal would also amend Chapter II, Section 43 of the Vermont Constitution to clarify that Assistant Judges, Sheriffs, States Attorneys, and Judges of Probate—who already have a four-year term of office—are elected every four years.

Sec. 2. Section 43 of Chapter II of the Vermont Constitution is amended to read:

§ 43. [BIENNIAL ELECTIONS]

The Governor, Lieutenant-Governor, Treasurer, Secretary of State, Auditor of Accounts, Senators, Town Representatives, Assistant Judges of the County Court, Sheriffs, High Bailiffs, State's Attorneys, Judges of Probate and Justices of the Peace, shall be elected biennially on the first Tuesday next after the first Monday of November, beginning in A.D. 1914.

Senators shall be elected every four years on the first Tuesday next after the first Monday of November, beginning in A.D. 2024.

Assistant Judges, Sheriffs, State's Attorneys, and Judges of Probate shall be elected every four years on the first Tuesday next after the first Monday of November, beginning in A.D. 2022.

Sec. 3. Section 44 of Chapter II of the Vermont Constitution is amended to read:

§ 44. [ELECTION OF REPRESENTATIVES AND SENATORS]

Senators and Representatives shall be elected to office at a general election to be held biennially on the first Tuesday next after the first Monday of November, A.D. 1974, and Senators shall be elected to office at a general election to be held every four years on the first Tuesday next after the first Monday of November, A.D. 2024.

Sec. 4. Section 46 of Chapter II of the Vermont Constitution is amended to read:

§ 46. [TERMS OF SENATORS AND REPRESENTATIVES]

The term of office of Senators <u>shall be four years</u> and <u>the term of office of</u> Representatives shall be two years, commencing on the first Wednesday next after the first Monday of January following their election.

Sec. 5. EFFECTIVE DATE

The amendments set forth in this proposal shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2022 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

To the Committee on Government Operations.

Bill Introduced

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

S. 106.

By Senator White,

An act relating to establishing the Municipal Self-Governance Program.

To the Committee on Government Operations.

Bill Referred

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

H. 146.

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

To the Committee on Judiciary.

Bill Amended; Bill Passed

S. 40.

Senate bill entitled:

An act relating to testing and remediation of lead in the drinking water of schools and child care facilities.

Was taken up.

Thereupon, pending third reading of the bill, Senators Baruth, Hardy, McNeil, Parent and Perchlik moved to amend the bill in Sec. 1, 18 V.S.A. § 1243, by adding a new subsection (g) to read as follows:

(g) Application; bottled water. Although the intent of the Vermont General Assembly is to achieve significant reductions in lead levels in all drinking water provided to children by school districts, supervisory unions, independent schools, or child care providers, the acceptable lead level in bottled water is regulated by the U.S. Food and Drug Administration; consequently, bottled water from a vending machine or bottled water from a water dispenser shall be exempt from the requirements of this chapter.

Which was agreed to.

Thereupon, the bill was read the third time and passed on a roll call, Yeas 29, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Collamore.

Adjournment

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

FRIDAY, FEBRUARY 15, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 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 House has passed House bills of the following titles:

H. 63. An act relating to the time frame for return of unclaimed beverage container deposits.

H. 135. An act relating to the authority of the Agency of Digital Services.

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

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

J.R.S. 14. Joint resolution condemning the murder of Washington Post columnist Jamal Khashoggi and affirming the central importance of freedom of the press.

And has adopted the same in concurrence.

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

H.C.R. 47. House concurrent resolution honoring Susan and Richard Collitt for their 40-plus years of dedicated proprietorship of the Ripton Country Store.

H.C.R. 48. House concurrent resolution congratulating Maddie Folsom on being named the 2018 Vermont Gatorade Girls' Volleyball Player of the Year.

H.C.R. 49. House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship boys' lacrosse team.

H.C.R. 50. House concurrent resolution congratulating Foster Brothers Farm of Addison County on being named the 2019 Innovative Dairy Farmer of the Year.

H.C.R. 51. House concurrent resolution in memory of Rutland Town municipal leader Richard S. Lloyd.

H.C.R. 52. House concurrent resolution congratulating Thetford Academy on the observance of its bicentennial.

H.C.R. 53. House concurrent resolution recognizing the importance of Public, Educational, and Government Access cable television channels and their associated Community Media Access Centers.

H.C.R. 54. House concurrent resolution congratulating Vermont Court Diversion on its 40th anniversary.

H.C.R. 55. House concurrent resolution honoring Garry Montague on the conclusion of 53 years as a barber and 47 years as the owner of Garry's Barbershop in Essex Junction.

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

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

S.C.R. 4. Senate concurrent resolution in memory of former NOFA-VT Executive Director and organic farming pioneer advocate, Enid Wonnacott.

And has adopted the same in concurrence.

Pages Honored

In appreciation of their many services to the members of the General Assembly, the President recognized the following-named pages who are completing their services today and presented them with letters of appreciation.

Shaylene Abraham of Barre Town Lillian Boutin of Montpelier Luca DeRuzza of Stowe Michael Fernandez of Thetford Center Megan Gemignani of Middlebury Madeline Pike of Richford Myles Rossi of Waterbury Center Alivia Roth of Burlington Sarah Sides of Williston

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Bill Introduced

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

S. 107.

By Senators White and Sears,

An act relating to elections corrections.

To the Committee on Government Operations.

Bills Referred

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

H. 63.

An act relating to the time frame for return of unclaimed beverage container deposits.

To the Committee on Natural Resources and Energy.

H. 135.

An act relating to the authority of the Agency of Digital Services.

To the Committee on Government Operations.

Committee Relieved of Further Consideration; Bill Committed

S. 21.

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

An act relating to establishing the Public Employee Health Benefit Plan,

and the bill was committed to the Committee on Health and Welfare.

Senate Concurrent Resolution

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By Senators Pollina, Collamore, Hardy, Pearson and Starr,

By Reps. Bartholomew and others,

S.C.R. 4.

Senate concurrent resolution in memory of former NOFA-VT Executive Director and organic farming pioneer advocate, Enid Wonnacott.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Conlon,

By Senators Bray and Hardy,

H.C.R. 47.

House concurrent resolution honoring Susan and Richard Collitt for their 40-plus years of dedicated proprietorship of the Ripton Country Store..

By Reps. Myers and others,

H.C.R. 48.

House concurrent resolution congratulating Maddie Folsom on being named the 2018 Vermont Gatorade Girls' Volleyball Player of the Year.

By Reps. Stevens and others,

H.C.R. 49.

House concurrent resolution congratulating the 2018 Harwood Union High School Highlanders Division II championship boys' lacrosse team.

By Reps. Smith and others,

By Senators Bray and Hardy,

H.C.R. 50.

House concurrent resolution congratulating Foster Brothers Farm of Addison County on being named the 2019 Innovative Dairy Farmer of the Year.

By Reps. Terenzini and others,

By Senators Collamore, Hooker and McNeil,

H.C.R. 51.

House concurrent resolution in memory of Rutland Town municipal leader Richard S. Lloyd.

By Reps. Briglin and Masland,

H.C.R. 52.

House concurrent resolution congratulating Thetford Academy on the observance of its bicentennial.

By Rep. McCarthy,

H.C.R. 53.

House concurrent resolution recognizing the importance of Public, Educational, and Government Access cable television channels and their associated Community Media Access Centers.

By Rep. Grad,

H.C.R. 54.

House concurrent resolution congratulating Vermont Court Diversion on its 40th anniversary.

By Reps. Giambatista and others,

H.C.R. 55.

House concurrent resolution honoring Garry Montague on the conclusion of 53 years as a barber and 47 years as the owner of Garry's Barbershop in Essex Junction.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, February 19, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 15.

TUESDAY, FEBRUARY 19, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

JOURNAL OF THE SENATE

Pledge of Allegiance

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

Bills Referred to Committee on Finance

Senate bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

S. 54. An act relating to the regulation of cannabis.

S. 58. An act relating to the State hemp program.

Bills Introduced

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

S. 108.

By Senator Pearson,

An act relating to employee misclassification.

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

S. 109.

By Senator Cummings,

An act relating to captive insurance companies and risk retention groups.

To the Committee on Finance.

S. 110.

By Senators Sirotkin, Balint, Baruth, Clarkson and Hardy,

An act relating to data privacy and consumer protection.

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

S. 111.

By Senators White, Ashe, Bray, Clarkson, Collamore and Pollina,

An act relating to the U.S. Department of Veterans Affairs' Airborne Hazards and Open Burn Pit Registry.

To the Committee on Government Operations.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 16.

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

By Senator Ashe,

J.R.S. 16. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, February 22, 2019, it be to meet again no later than Tuesday, February 26, 2019.

Bill Amended; Third Reading Ordered

S. 43.

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

An act relating to prohibiting prior authorization requirements for medication-assisted treatment.

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

Sec. 1. 8 V.S.A. § 4089b is amended to read:

§ 4089b. HEALTH INSURANCE COVERAGE, MENTAL HEALTH, AND SUBSTANCE ABUSE USE DISORDER

* * *

(c) A health insurance plan shall provide coverage for treatment of a mental condition and shall:

(1) not establish any rate, term, or condition that places a greater burden on an insured for access to treatment for a mental condition than for access to treatment for other health conditions, including no greater co-payment for primary mental health care or services than the co-payment applicable to care or services provided by a primary care provider under an insured's policy and no greater co-payment for specialty mental health care or services than the copayment applicable to care or services provided by a specialist provider under an insured's policy;

(2) not exclude from its network or list of authorized providers any licensed mental health or substance abuse provider located within the geographic coverage area of the health benefit plan if the provider is willing to

meet the terms and conditions for participation established by the health insurer; and

(3) make any deductible or out-of-pocket limits required under a health insurance plan comprehensive for coverage of both mental and physical health conditions; and

(4) if the plan provides prescription drug coverage, ensure that at least one medication from each drug class approved by the U.S. Food and Drug Administration for the treatment of substance use disorder is available on the lowest cost-sharing tier of the plan's prescription drug formulary.

* * *

Sec. 2. 18 V.S.A. § 4750 is amended to read:

§ 4750. DEFINITION DEFINITIONS

As used in this chapter, "medication-assisted treatment":

(1) "Health insurance plan" has the same meaning as in 8 V.S.A. $\S 4089b$.

(2) "Medication-assisted treatment" means the use of U.S. Federal Food and Drug Administration-approved medications, in combination with counseling and behavioral therapies, to provide a whole patient approach to the treatment of substance use disorders.

Sec. 3. 18 V.S.A. § 4754 is added to read:

§ 4754. PROHIBITION ON PRIOR AUTHORIZATION

<u>A health insurance plan shall not require prior authorization for medication-assisted treatment that is within the U.S. Food and Drug Administration's dosing recommendations.</u>

Sec. 4. PRIOR AUTHORIZATION FOR MEDICATION-ASSISTED TREATMENT; MEDICAID; REPORTS

On or before February 1, 2020, 2021, and 2022, the Department of Vermont Health Access shall report to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare regarding prior authorization processes for medication-assisted treatment in Vermont's Medicaid program during the previous calendar year, including which medications required prior authorization; how many prior authorization requests the Department received and, of these, how many were approved and denied; and the average and longest lengths of time the Department took to process a prior authorization request.

Sec. 5. EFFECTIVE DATES

(a) This section and Secs. 2 (18 V.S.A. § 4750) and 4 (prior authorization for medication-assisted treatment; Medicaid; reports) shall take effect on July 1, 2019.

(b) Secs. 1 (8 V.S.A. § 4089b) and 3 (18 V.S.A. § 4754) shall take effect on January 1, 2020 and shall apply to health insurance plans on or after January 1, 2020 on such date as a health insurer issues, offers, or renews the health insurance plan, but in no event later than January 1, 2021.

And that when so amended the bill ought to pass.

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

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 20, 2019.

WEDNESDAY, FEBRUARY 20, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Donavee Copenhaver of Northfield.

Message from the House No. 16

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. 7. An act relating to second degree aggravated domestic assault.

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

Bills Introduced

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

S. 112.

By Senators Sears, Baruth, Benning and White,

An act relating to earned good time.

To the Committee on Judiciary.

S. 113.

By Senators Bray, Balint, Campion, Clarkson, Hardy, Lyons, Pollina and Sirotkin,

An act relating to the prohibition of plastic carryout bags, expanded polystyrene, and single-use plastic straws.

To the Committee on Natural Resources and Energy.

S. 114.

By Senators Pearson, Benning, Rodgers and White,

An act relating to expungement of misdemeanor marijuana possession convictions.

To the Committee on Judiciary.

S. 115.

By Senator Parent,

An act relating to the right to farm in Vermont.

To the Committee on Judiciary.

Bill Referred

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

H. 7.

An act relating to second degree aggravated domestic assault.

To the Committee on Judiciary.

Bill Passed

S. 43.

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

An act relating to prohibiting prior authorization requirements for medication-assisted treatment.

Third Reading Ordered

S. 24.

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

An act relating to naming the Courthouse located at 9 Merchants Row in Rutland.

Reported that the bill ought to pass.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until ten o'clock and twenty-five minutes in the morning on Thursday, February 21, 2019.

THURSDAY, FEBRUARY 21, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 17

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. 218. An act relating to lead poisoning prevention.

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

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

J.R.S. 16. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Bills Introduced

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

S. 116.

By Senators Pearson and Campion,

An act relating to the management and disposal of nicotine containers and replacement cartridges for tobacco substitutes.

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

S. 117.

By Senators Sears and White,

An act relating to the therapeutic use of cannabis.

To the Committee on Judiciary.

S. 118.

By Senators Lyons, Benning, Bray and MacDonald,

An act relating to the time frame for the adoption of administrative rules.

To the Committee on Government Operations.

S. 119.

By Senators Ingram, Pearson and Pollina,

An act relating to law enforcement training on appropriate use of force, deescalation tactics, and cross-cultural awareness.

To the Committee on Judiciary.

S. 120.

By Senators Ingram, Hardy and Pearson,

An act relating to the Executive Director of Racial Equity.

To the Committee on Government Operations.

Bill Referred

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

H. 218.

An act relating to lead poisoning prevention.

To the Committee on Health and Welfare.

Joint Assembly

At ten o'clock and thirty minutes in the morning, the hour having arrived for the meeting of the two Houses in Joint Assembly pursuant to: **J.R.S. 10.** Joint resolution providing for the election of a Sergeant at Arms, an Adjutant and Inspector General, and three Trustees of the University of Vermont and State Agricultural College.

The Senate repaired to the hall of the House.

Having returned therefrom, at eleven o'clock and fifty-five minutes in the morning, the President assumed the Chair.

Bill Passed

S. 84.

Senate bill entitled:

An act relating to emissions inspections.

Was taken up.

Thereupon, pending third reading of the bill, Senator Bray moved to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Motor Vehicles Subject to the Emissions Inspection * * *

Sec. 1. 23 V.S.A. § 1222(a) is amended to read:

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall be inspected undergo a safety and visual emissions inspection once each year and all motor vehicles that are registered in this State and are 15 model years old or less shall undergo an on-board diagnostic (OBD) systems inspection once each year as applicable. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days following the date of its registration in the State of Vermont.

* * * Rulemaking and Implementation * * *

Sec. 2. RULEMAKING

(a) Within six months after the effective date of this section, the Commissioner of Motor Vehicles, in consultation with the Agency of Natural Resources, shall file with the Secretary of State a proposed amended rule governing vehicle inspections in this State (Periodic Inspection Manual) that is consistent with federal law, including 40 C.F.R. part 51, subpart S, and only requires an on-board diagnostic (OBD) systems inspection once each year, as applicable, for motor vehicles registered in this State that are 15 model years old or less.

Sec. 3. IMMEDIATE IMPLEMENTATION

(a) Notwithstanding 10 V.S.A. § 567(a), as soon as practicable after the effective date of this section, the Commissioner of Motor Vehicles shall update the content of inspections conducted through the Automated Vehicle Inspection Program to exclude any requirements of the Periodic Inspection Manual that are inconsistent with the amendments to 23 V.S.A. § 1222 in Sec. 1 of this act, with the effect that no motor vehicle that is more than 15 model years old will be required to undergo an on board diagnostic (OBD) systems inspection.

(b) In the event that the Commissioner cannot update the content of inspections conducted through the Automated Vehicle Inspection Program in accordance with subsection (a) of this section within 45 days after the effective date of this section, the Commissioner shall, within 45 days after the effective date of this section, develop and implement a temporary work-around to ensure that no motor vehicle that is more than 15 model years old will be required to undergo an OBD systems inspection.

* * * Inspections Required After the Adoption of a New Periodic Inspection Manual * * *

Sec. 4. 23 V.S.A. § 1222(a) is amended to read:

(a) Except for school buses, which shall be inspected as prescribed in section 1282 of this title, and motor buses as defined in subdivision 4(17) of this title, which shall be inspected twice during the calendar year at six-month intervals, all motor vehicles registered in this State shall undergo a safety and visual emissions inspection be inspected once each year and all motor vehicles that are registered in this State and are 15 model years old or less shall undergo an on board diagnostic (OBD) systems inspection once each year as applicable. Any motor vehicle, trailer, or semi-trailer not currently inspected in this State shall be inspected within 15 days following the date of its registration in the State of Vermont.

* * * Effective Dates * * *

Sec. 5. EFFECTIVE DATES

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

(b) Sec. 1 (inspection program) shall take effect 45 days after passage.

(c) Sec. 4 (inspection program) shall take effect 30 days after the later of:

(1) the adoption of the rule governing vehicle inspections in this State (Periodic Inspection Manual) in conformance with Sec. 2 of this act; or

(2) the approval of the State's state implementation plan addressing its inspection and maintenance (I/M) program by the Environmental Protection Agency.

Which was disagreed to.

Senator Ashe Assumes the Chair

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

Bill Passed

S. 24.

Senate bill of the following title:

An act relating to naming the Courthouse located at 9 Merchants Row in Rutland.

Was read the third time and passed on a roll call, Yeas 26, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Balint, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe (presiding), Baruth, Benning, Lyons.

Adjournment

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

FRIDAY, FEBRUARY 22, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

JOURNAL OF THE SENATE

Message from the House No. 18

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. 57. An act relating to preserving the right to abortion.

H. 79. An act relating to eligibility for farm-to-school grant assistance.

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

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

H.C.R. 56. House concurrent resolution honoring Floyd W. Van Alstyne for his six decades of civic leadership in the Town of Barnard.

H.C.R. 57. House concurrent resolution honoring former Pittsfield Town Clerk Patty Haskins for her exemplary municipal public service.

H.C.R. 58. House concurrent resolution in memory of former Rutland Herald reporter and Renaissance man Bernard H. Crosier.

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

Bill Referred to Committee on Appropriations

S. 54.

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

An act relating to the regulation of cannabis.

Bills Introduced

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

S. 121.

By Senators White, Benning, Collamore, Kitchel, Lyons, Mazza, Pollina and Sears,

An act relating to Adjutant and Inspector General.

To the Committee on Government Operations.

S. 122.

By Senator Parent,

An act relating to nutrient management plans.

To the Committee on Agriculture.

S. 123.

By Senators Cummings and Kitchel,

An act relating to making clarifications to the State's grant acceptance process.

To the Committee on Appropriations.

S. 124.

By Senator White,

An act relating to miscellaneous law enforcement amendments.

To the Committee on Government Operations.

S. 125.

By Senators Lyons and Ingram,

An act relating to Vermont's adoption of the interstate Nurse Licensure Compact.

To the Committee on Health and Welfare.

Bills Referred

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

H. 57.

An act relating to preserving the right to abortion.

To the Committee on Health and Welfare.

H. 79.

An act relating to eligibility for farm-to-school grant assistance.

To the Committee on Agriculture.

Bills Amended; Third Readings Ordered

S. 23.

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

An act relating to increasing the minimum wage.

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

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

§ 384. EMPLOYMENT; WAGES

(a)(1) An employer shall not employ any employee at a rate of less than \$9.15. Beginning on January 1, 2016, an employer shall not employ any employee at a rate of less than \$9.60. Beginning on January 1, 2017, an employer shall not employ any employee at a rate of less than \$10.00. Beginning on January 1, 2018, an employer shall not employ any employee at a rate of less than \$10.50, and beginning \$10.78. Beginning on January 1, 2019 2020, an employer shall not employ any employee at a rate of less than \$11.50. Beginning on January 1, 2021, an employer shall not employ any employee at a rate of less than \$12.25. Beginning on January 1, 2022, an employer shall not employ any employee at a rate of less than \$13.10. Beginning on January 1, 2023, an employer shall not employ any employee at a rate of less than \$14.05. Beginning on January 1, 2024, an employer shall not employ any employee at a rate of less than \$15.00, and on each subsequent January 1, the minimum wage rate shall be increased by five percent or the percentage increase of the Consumer Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor index, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous September 1, whichever is smaller, but in no event shall the minimum wage be decreased. The minimum wage shall be rounded off to the nearest \$0.01.

(2) An employer in the hotel, motel, tourist place, and restaurant industry shall not employ a service or tipped employee at a basic wage rate less than one-half the minimum wage. As used in this subsection, "a service or tipped employee" means an employee of a hotel, motel, tourist place, or restaurant who customarily and regularly receives more than \$120.00 per month in tips for direct and personal customer service.

(3) If the minimum wage rate established by the U.S. government is greater than the rate established for Vermont for any year, the minimum wage rate for that year shall be the rate established by the U.S. government.

* * *

(e)(1) A tip shall be the sole property of the employee or employees to whom it was paid, given, or left. An employer that permits patrons to pay tips by credit card shall pay an employee the full amount of the tip that the

customer indicated, without any deductions for credit card processing fees or costs that may be charged to the employer by the credit card company.

(2) An employer shall not collect, deduct, or receive any portion of a tip left for an employee or credit any portion of a tip left for an employee against the wages due to the employee pursuant to subsection (a) of this section.

(3) This subsection shall not be construed to prohibit the pooling of tips among service or tipped employees as defined pursuant to subsection (a) of this section.

Sec. 2. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

Terms used in this subchapter have the following meanings <u>As used in this</u> <u>subchapter</u>, unless a different meaning is clearly apparent from the language or context:

(1) "Commissioner," <u>means</u> the Commissioner of Labor or designee.

(2) "Employee," <u>means</u> any individual employed or permitted to work by an employer except:

* * *

(G) taxi-cab taxicab drivers;

(H) outside salespersons; and

(I) <u>secondary school</u> students <u>under 18 years of age</u> working during all or any part of the school year or regular vacation periods.

(3) "Occupation," <u>means</u> an industry, trade, ΘF business or branch thereof, or <u>a</u> class of work in which workers are gainfully employed.

(4) "Tip" means a sum of money gratuitously and voluntarily left by a customer for service, or indicated on a bill or charge statement, to be paid to a service or tipped employee for directly and personally serving the customer in a hotel, motel, tourist place, or restaurant. An employer-mandated service charge shall not be considered a tip.

Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; SLIDING SCALE

To the extent funds are appropriated, the Commissioner for Children and Families shall amend the Department for Children and Families' Child Care Financial Assistance Program's sliding fee scale in order to:

(1) adjust the sliding scale of the Child Care Financial Assistance Program benefit to correspond with each minimum wage increase required pursuant to this act to ensure that the benefit percentage at each new minimum wage level would not be lower than the percentage applied under the former minimum wage; and

(2) adjust the Child Care Financial Assistance Program rate paid to providers on behalf of families in a manner that offsets the estimated increased cost of child care in Vermont resulting from the increase in the minimum wage required pursuant to this act.

Sec. 4. MINIMUM WAGE; ADJUSTMENT FOR INFLATION; REPORT

On or before January 15, 2023, the Office of Legislative Council and the Joint Fiscal Office 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 potential mechanisms for indexing the minimum wage established pursuant to 21 V.S.A. § 384 to inflation after 2024. In particular, the report shall:

(1) identify and examine mechanisms that other jurisdictions use to index their minimum wages to inflation and the potential benefits and disadvantages of each mechanism; and

(2) identify and examine any alternative mechanisms to index the minimum wage to inflation, including alternative measures of inflation, and the potential benefits and disadvantages of each mechanism.

Sec. 5. TIPPED AND STUDENT MINIMUM WAGE STUDY COMMITTEE; STUDY; REPORT

(a) Creation. There is created the tipped and student minimum wage study committee to examine the effects of increasing or eliminating the basic wage rate for tipped employees in Vermont.

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

(1) one member appointed by the Speaker of the House;

(2) one member appointed by the Committee on Committees;

(3) the Commissioner of Labor or designee;

(4) the Commissioner for Children and Families or designee;

(5) one member representing employers, jointly appointed by the Speaker of the House and the Committee on Committees; and

(6) one member representing workers, jointly appointed by the Speaker of the House and the Committee on Committees.

(c) Powers and duties. The Committee shall study the effects of increasing or eliminating the basic wage rate for tipped employees and of eliminating the subminimum wage for secondary school students during the school year, including the following issues:

(1) the impact in states that have eliminated their subminimum wage for tipped employees on:

(A) jobs, prices, and the state economy; and

(B) the welfare of tipped workers, women, and working families with children;

(2) the impact in states that have increased their subminimum wage for tipped employees during the last 10 years on:

(A) jobs, prices, and the state economy; and

(B) the welfare of tipped workers, women, and working families with children;

(3) the projected impact in Vermont of increasing or eliminating the basic wage rate for tipped employees on:

(A) jobs, prices, and the State economy; and

(B) the welfare of tipped workers, women, and working families with children; and

(4) the projected impact in Vermont of eliminating the subminimum wage for secondary school students on jobs, prices, the State economy, and the welfare of individuals under 22 years of age.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Labor.

(e) Report. On or before January 15, 2020, the Committee 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 with its findings and any recommendations, if any, for legislative action to increase or eliminate Vermont's basic wage for tipped employees.

(f) Meetings.

(1) The Commissioner of Labor shall call the first meeting of the Committee to occur on or before September 15, 2019.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Committee shall cease to exist on January 30, 2020.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than four meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Members of the Committee who are not employees of the State of Vermont shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than four meetings. These payments shall be made from monies appropriated to the Department of Labor.

Sec. 6. EFFECTIVE DATES

(a) In Sec. 1, 21 V.S.A. § 384, subdivision (a)(2) shall take effect on January 1, 2020. The remaining provisions of Sec. 1 shall take effect on July 1, 2019.

(b) In Sec. 2, 21 V.S.A. § 383, the amendments to subdivisions (2)(G), (H), and (I) shall take effect on January 1, 2020. The remaining provisions of Sec. 2 shall take effect on July 1, 2019.

(c) The remaining sections of this act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

In Sec. 5, tipped and student minimum wage study committee, by striking out subdivision (g)(2) and inserting in lieu thereof a new subdivision (g)(2) to read as follows:

(2) Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than four meetings. These payments shall be made from monies appropriated to the Department of Labor. And that when so amended the bill ought to pass.

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

Senator Ashe Assumes the Chair

The President *pro tempore* assumed the Chair as the President became Acting Governor (in the absence of the Governor)

Thereupon, the pending question, Shall the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs, as amended?, was decided in the affirmative, on a roll call, Yeas 19, Nays 8.

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: Balint, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, McNeil, Parent, Rodgers, Starr, Westman.

Those Senators absent or not voting were: Ashe (presiding), Baruth, Perchlik.

Thereupon, third reading of the bill was ordered on a roll call, Yeas 19, Nays 8.

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

Roll Call

Those Senators who voted in the affirmative were: Balint, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: *Benning, Brock, Collamore, McNeil, Parent, Rodgers, Starr, Westman.

Those Senators absent or not voting were: Ashe (presiding), Baruth, Perchlik.

*Senator Benning explained his vote as follows:

"I appreciate that this bill seeks to address a growing disparity between those of means and those without. However, I'm concerned that it further exacerbates a growing disparity in job availability between what we have all heard described as the "two Vermonts". It places the employers in my district, once again, at an extreme disadvantage trying to compete against those in New Hampshire who do not have such burdens. The empty storefronts in St. Johnsbury are now being seen in downtown Barre. There is a reason for that. It stems from government regulations that have serious unintended consequences. For that reason I feel I cannot support this bill."

S. 27.

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

An act relating to maintaining the home health agency provider tax.

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

Sec. 1. 2017 Acts and Resolves No. 73, Sec. 18d is amended to read:

Sec. 18d. REPEAL

33 V.S.A. § 1955a (home health agency assessment) is repealed on July 1, 2019 2021.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Szott,

H.C.R. 56.

House concurrent resolution honoring Floyd W. Van Alstyne for his six decades of civic leadership in the Town of Barnard.

By Rep. Haas,

H.C.R. 57.

House concurrent resolution honoring former Pittsfield Town Clerk Patty Haskins for her exemplary municipal public service.

By Reps. Forguites and others,

By Senators Nitka, Clarkson and McCormack,

H.C.R. 58.

House concurrent resolution in memory of former Rutland Herald reporter and Renaissance man Bernard H. Crosier.

Adjournment

On motion of Senator Mazza, the Senate adjourned, to reconvene on Tuesday, February 26, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 16.

TUESDAY, FEBRUARY 26, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Julian Asucan of Montpelier.

Pledge of Allegiance

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

Bill Referred to Committee on Finance

S. 86.

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

An act relating to increasing the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age.

Bills Introduced

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

S. 126.

By Senator Sirotkin,

An act relating to a deduction for medical expenses.

To the Committee on Finance.

S. 127.

By Senator White,

An act relating to the definition and rights of temporary State employees.

To the Committee on Government Operations.

S. 128.

By Senator Ingram,

An act relating to physician assistant licensure.

To the Committee on Health and Welfare.

S. 129.

By Senators Collamore, Benning, Bray, Brock, Hooker, Ingram, Mazza, McNeil, Parent, Pollina, Starr and Westman,

An act relating to exemption military retirement pay from Vermont income tax.

To the Committee on Finance.

S. 130.

By Senators Benning, Campion and Sears,

An act relating to exempting veterinary supplies from sales tax.

To the Committee on Finance.

S. 131.

By Senator Cummings,

An act relating to insurance and securities.

To the Committee on Finance.

Bill Amended; Bill Passed

S. 23.

Senate bill entitled:

An act relating to increasing the minimum wage.

Was taken up.

Thereupon, pending third reading of the bill, Senators Sirotkin and Nitka moved to amend the bill by as follows:

<u>First</u>: In Sec. 2, 21 V.S.A. § 383(2)(I), after the period, by inserting the following: <u>As used in this subdivision (2)(I)</u>, "regular vacation periods" does not include the period between two successive academic years.

<u>Second</u>: By striking out Sec. 6 in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. EFFECTIVE DATES

(a) In Sec. 2, 21 V.S.A. § 383, the amendments to subdivisions (2)(G) and (I) shall take effect on January 1, 2020. The remaining provisions of Sec. 2 shall take effect on July 1, 2019.

(b) The remaining sections of this act shall take effect on July 1, 2019.

Which was agreed to.

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

Bill Passed

S. 27.

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

An act relating to maintaining the home health agency provider tax.

Third Reading Ordered

S. 89.

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

An act relating to allowing reflective health benefit plans at all metal levels.

Reported that the bill ought to pass.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, February 27, 2019.

WEDNESDAY, FEBRUARY 27, 2019

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

Devotional Exercises

Devotional exercises were conducted by the Reverend Kim Kie of Barre.

Message from the House No. 19

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

H. 59. An act relating to the codification of the charter of the Rutland County Solid Waste District.

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

Bills Introduced

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

S. 132.

By Senators Campion and Sears,

An act relating to hate crimes and bias incidents.

To the Committee on Judiciary.

S. 133.

By Senator Sears,

An act relating to juvenile jurisdiction.

To the Committee on Judiciary.

S. 134.

By Senator White,

An act relating to background investigations for State employees with access to federal tax information.

To the Committee on Government Operations.

S. 135.

By Senators Balint, Campion, Hooker and Ingram,

An act relating to consumer protection and automobile financing.

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

S. 136.

By Senators Pearson, Ashe, Lyons and Sirotkin,

An act relating to next steps toward implementing a wholesale importation program for prescription drugs from Canada.

To the Committee on Health and Welfare.

S. 137.

By Senators Lyons, Balint, Clarkson, Hardy, Ingram, Sirotkin and White,

An act relating to health insurance coverage for hearing aids.

To the Committee on Finance.

S. 138.

By Senators Hooker, Balint, Benning, Brock, Collamore, Hardy, Ingram, Kitchel, Lyons, MacDonald, Mazza, McNeil, Parent, Pearson, Perchlik, Pollina, Rodgers and Starr,

An act relating to the disposition of the remains of veterans.

To the Committee on Government Operations.

Bills Referred

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

H. 58.

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

To the Committee on Government Operations.

H. 59.

An act relating to the codification of the charter of the Rutland County Solid Waste District.

To the Committee on Government Operations.

Proposal of Amendment; Third Reading Ordered

Н. 3.

Senator Ingram, for the Committee on Education, to which was referred House bill entitled:

An act relating to ethnic and social equity studies standards for public schools.

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

Sec. 1. ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY WORKING GROUP

(a) Findings.

(1) In 1999, the Vermont Advisory Committee to the U.S. Commission on Civil Rights published a report titled Racial Harassment in Vermont Public Schools and described the state of racism in public schools. The Committee held various hearings and received reports from stakeholders and concluded that "racial harassment" appeared "pervasive in and around the State's public schools," and observed that "the elimination of this harassment" was "not a priority among school administrators, school boards, elected officials, and State agencies charged with civil rights enforcement."

(2) In 2003, the Commission released a follow-up report concluding that, although some positive efforts had been made since the original report was published, the problem persisted. One of the many problems highlighted at that time was that some curriculum materials and lesson plans promoted racial stereotypes. One of the conclusions was that there was a need for a bias-free curriculum.

(3) In December 2017, the Act 54 report on Racial Disparities in State Systems, issued by the Attorney General and Human Rights Commission Task Force, was released. According to the report, education is one of the five State systems in which racial disparities persist and need to be addressed. The Attorney General and Human Rights Commission held three stakeholder meetings and found "a surprising amount of coalescence around the most important issues" and "the primary over-arching theme was that we will be able to reduce racial disparities by changing the underlying culture of our state with regard to race." One of the main suggestions for accomplishing this was to "teach children from an integrated curriculum that fairly represents both the contributions of People of Color (as well as indigenous people, women, people with disabilities, etc.), while fairly and accurately representing our history of oppression of these groups." The other suggestions were to educate State employees about implicit bias, white privilege, white fragility, and white supremacy and increase the representation of people of color in the State and school labor forces by focusing on recruitment, hiring, and retention, as well as promotion of people of color into positions of authority and responsibility on boards and commissions.

(4) According to the U.S. Department of Justice report on hate crimes in Vermont in 2017, 51 percent of hate crimes were based on a motivation involving racial bias, 23 percent of hate crimes were based on a motivation involving sexual orientation bias, 17 percent of hate crimes were based on a motivation involving religious bias, and 9 percent of hate crimes were based on a motivation involving disability bias.

(5) Acts of harassment and discrimination based on religious affiliation, including but not limited to anti-Semitism and Islamophobia, have been reported in recent Vermont news reports.

(6) Hate symbols have in recent years appeared with disturbing frequency at schools, in public spaces, places of worship, and places of business.

(7) The harassment of marginalized groups, and the lack of understanding of people in power about the magnitude of the systemic impacts of harassment and bias, damage the whole community.

(b) Definitions. As used in this act:

(1) "Ethnic groups" means:

(A) nondominant racial and ethnic groups in the United States, including people who are Abenaki, people from other indigenous groups, people of African, Asian, Pacific Island, Chicanx, Latinx, or Middle Eastern descent; and

(B) groups that have been historically subject to persecution or genocide.

(2) "Ethnic studies" means the instruction of students in prekindergarten through grade 12 in the historical contributions and perspectives of ethnic groups and social groups. (3) "Social groups" means women and girls, people with disabilities, immigrants, refugees, and individuals who are lesbian, gay, bisexual, transgender, queer, questioning, intersex, asexual, or nonbinary.

(c) Creation and composition. The Ethnic and Social Equity Standards Advisory Working Group is established. The Working Group shall comprise the following 20 members:

(1) 10 members who are members of, and represent the interests of, ethnic groups and social groups, two of whom shall be high school students;

(2) a Vermont-based, college-level faculty expert in ethnic studies;

(3) the Secretary of Education or designee;

(4) the Executive Director of the Vermont-National Education Association or designee;

(5) the Executive Director of Racial Equity or designee;

(6) the Executive Director of the Vermont School Boards Association or designee;

(7) a representative for the Vermont Principals' Association with expertise in the development of school curriculum;

(8) a representative for the Vermont Curriculum Leaders Association;

(9) the Executive Director of the Vermont Superintendents Association or designee;

(10) the Executive Director of the Vermont Independent Schools Association or designee; and

(11) the Executive Director of the Vermont Human Rights Commission or designee.

(d) Appointment and operation.

(1) The Vermont Coalition for Ethnic and Social Equity in Schools (Coalition) shall appoint the 10 members who represent ethnic groups and social groups and the member identified under subdivision (c)(2) of this section. Appointments of members to fill vacancies to these positions shall be made by the Coalition.

(2) As a group, the Working Group shall represent the breadth of geographic areas within the State and shall have experience in the areas of ethnic standards or studies, social justice, inclusivity, and advocacy for the groups they represent.

(3)(A) The Secretary of Education or designee shall call the first meeting of the Working Group to occur on or before September 1, 2019.

(B) The Working Group shall select a chair from among its members at the first meeting.

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

(D) The Working Group shall cease to exist on July 1, 2022.

(e) Compensation and reimbursement. Members of the Working Group 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 per year. These payments shall be made from monies appropriated to the Agency of Education.

(f) Appropriation. The sum of \$15,860.00 is appropriated to the Agency of Education from the General Fund for fiscal year 2020 for the per diem compensation and expense reimbursements authorized by subsection (e) of this section to be paid to the members of the Ethnic and Social Equity Standards Advisory Working Group. The Agency shall include in its budget request to the General Assembly for fiscal years 2021 and 2022 the amount of \$15,860.00 for the per diem compensation and expense reimbursements authorized by subsection (e) of this section to be paid to members of the Standards for the per diem compensation and expense reimbursements authorized by subsection (e) of this section to be paid to members of the Working Group.

(g) Duties of the Working Group.

(1) The Working Group shall review standards for student performance adopted by the State Board of Education under 16 V.S.A. § 164(9) and, on or before June 30, 2021, recommend to the State Board updates and additional standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups. These recommended additional standards shall be designed to:

(A) increase cultural competency of students in prekindergarten through grade 12;

(B) increase attention to the history, contribution, and perspectives of ethnic groups and social groups;

(C) promote critical thinking regarding the history, contributions, and perspectives of ethnic groups and social groups;

(D) commit the school to eradicating any racial bias in its curriculum;

(E) provide, across its curriculum, content and methods that enable students to explore safely questions of identity, race equality, and racism; and

(F) ensure that the basic curriculum and extracurricular programs are welcoming to all students and take into account parental concerns about religion or culture.

(2) The Working Group may review State statutes, State Board rules, and school district and supervisory union policies that concern or impact standards for student performance or curriculum used in schools. The State Board may recommend to the General Assembly proposed statutory changes with the following goals:

(A) ensuring that schools:

(i) promote critical thinking regarding the history, contribution, and perspectives of ethnic groups and social groups;

(ii) include content and related instructional materials and methods that enable students to explore safely questions of identity and membership in ethnic groups and social groups, race equality, and racism; and

(iii) facilitate a welcoming environment for all students while taking into account parental concerns about bias or exclusion of ethnic groups or social groups; and

(B) ensuring engagement opportunities that provide families a welcoming means of raising any concern about their child's experience as it bears on race or ethnic or social group identity at school.

(3) The Working Group shall include in its report to the General Assembly under subdivisions (h)(2) and (3) of this section any statute, State Board rule, or school district or supervisory union policy that it has identified as needing review or amendment in order to:

(A) promote an overarching focus on preparing all students to participate effectively in an increasingly racially, culturally, and socially diverse Vermont and in global communities;

(B) ensure every student is in a safe, secure, and welcoming learning and social environment in which bias, whether implicit or explicit, toward others based on their membership in ethnic or social groups is acknowledged and addressed appropriately;

(C) challenge racist, sexist, or ableist bias, or bias based on gender or socioeconomic status, using principles aligned with restorative practice;

(D) specify prohibited conduct as it relates to racism, sexism, ableism, and other ethnic and social biases and refers to the process through

which alleged misconduct will be addressed, including disciplinary action as appropriate;

(E) establish disciplinary responses to racial or ethnic and social group incidents that include the utilization of restorative practices where appropriate; and

(F) ensure that the school diversifies its workforce and provides its personnel training in how best to address bias incidents.

(h) Reports.

(1) The Working Group shall, on or before March 1, 2020, submit a report to the General Assembly that includes:

(A) the membership of the Working Group and its meeting schedule;

(B) its plan to accomplish the work described in subdivision (g)(1) of this section; and

(C) its plan to accomplish the work described in subdivisions (g)(2) and (3) of this section.

(2) The Working Group shall, on or before December 15, 2020, submit a report to the General Assembly that includes:

(A) the membership of the Working Group and its meeting schedule;

(B) recommended statutory changes under subdivisions (g)(2) and (3) of this section;

(C) its findings from its review of State Board rules and school district and supervisory union policies under subdivisions (g)(2) and (3) of this section; and

(D) recommendations for training and appropriations to support implementation of the recommended statutory changes.

(3) The Working Group shall, on or before July 1, 2022, submit a report to the General Assembly that includes:

(A) any further recommended statutory changes under subdivisions (g)(2) and (3) of this section;

(B) any further findings from its review of State Board rules and school district and supervisory union policies under subdivisions (g)(2) and (3) of this section; and

(C) recommendations for training and appropriations to support implementation of the recommended changes.

(i) Duties of the State Board of Education. The Board of Education shall, on or before June 30, 2022, consider adopting ethnic and social equity studies standards into standards for student performance adopted by the State Board under 16 V.S.A. § 164(9) for students in prekindergarten through grade 12, taking into account the report submitted by the Working Group under subdivision (g)(1) of this section.

Sec. 2. 16 V.S.A. § 164 is amended to read:

§ 164. STATE BOARD; GENERAL POWERS AND DUTIES

The State Board shall evaluate education policy proposals, including timely evaluation of policies presented by the Governor and Secretary; engage local school board members and the broader education community; and establish and advance education policy for the State of Vermont. In addition to other specified duties, the Board shall:

* * *

(17) Report annually on the condition of education statewide and on a school-by-school supervisory union and school district basis. The report shall include information on attainment of standards for student performance adopted under subdivision (9) of this section, number and types of complaints of hazing, harassment, or bullying made pursuant to chapter 9, subchapter 5 of this title and responses to the complaints, financial resources and expenditures, and community social indicators. The report shall be organized and presented in a way that is easily understandable by the general public and that enables each school, school district, and supervisory union to determine its strengths and weaknesses. To the extent consistent with State and federal privacy laws and regulations, data on student performance and hazing, harassment, or bullying incidents shall be disaggregated by student groups, including ethnic, racial, and religious groups, gender, sexual orientation, gender identity, poverty status, disability status, and English language learner status. The Secretary shall use the information in the report to determine whether students in each school, school district, and supervisory union are provided educational opportunities substantially equal to those provided in other schools, school districts, and supervisory unions pursuant to subsection 165(b) of this title.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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

Senator McCormack, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Education with the following amendments thereto:

<u>First</u>: In Sec. 1, in subdivision (d)(3), by inserting a subparagraph (E) to read as follows:

(E) The Working Group shall have the assistance of the Agency of Education for the purposes of scheduling meetings and processing compensation and reimbursement pursuant to subsection (e) of this section.

<u>Second</u>: In Sec. 1 in subsection (h) (2)(B) before the word "<u>recommended</u>" by adding the word <u>any</u> in subdivision (2)(D) before the word "<u>recommendations</u>" by adding the word <u>any</u> and in subdivision (3)(C) before the word "<u>recommendations</u>" by adding the word <u>any</u>

<u>Third</u>: By striking out Sec. 2 in its entirety and by inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 16 V.S.A. § 164 is amended to read:

§ 164. STATE BOARD; GENERAL POWERS AND DUTIES

The State Board shall evaluate education policy proposals, including timely evaluation of policies presented by the Governor and Secretary; engage local school board members and the broader education community; and establish and advance education policy for the State of Vermont. In addition to other specified duties, the Board shall:

* * *

(17) Report annually on the condition of education statewide and on a school-by-school supervisory union and school district basis. The report shall include information on attainment of standards for student performance adopted under subdivision (9) of this section, number and types of complaints of hazing, harassment, or bullying made pursuant to chapter 9, subchapter 5 of this title and responses to the complaints, financial resources and expenditures, and community social indicators. The report shall be organized and presented in a way that is easily understandable by the general public and that enables each school, school district, and supervisory union to determine its strengths and weaknesses. To the extent consistent with State and federal privacy laws and regulations, data on hazing, harassment, or bullying incidents shall be disaggregated by incident type, including disaggregation by ethnic groups, racial groups, religious groups, gender, sexual orientation, gender identity, disability status, and English language learner status. The Secretary shall use the information in the report to determine whether students in each school,

school district, and supervisory union are provided educational opportunities substantially equal to those provided in other schools, school districts, and supervisory unions pursuant to subsection 165(b) of this title.

* * *

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

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

Thereupon, the proposal of amendment recommended by the Committee on Education, as amended, was agreed to and third reading of the bill was ordered, on a roll call, Yeas 27, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Perchlik, Pollina, Rodgers, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent or not voting were: Ashe (presiding), Pearson, Sears.

Bill Passed

S. 89.

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

An act relating to allowing reflective health benefit plans at all metal levels.

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Thursday, February 28, 2019.

THURSDAY, FEBRUARY 28, 2019

The Senate was called to order by the President.

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Devotional Exercises

Devotional exercises were conducted by the Rabbi David Edleson of South Burlington.

Bill Referred to Committee on Finance

S. 73.

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

An act relating to licensure of ambulatory surgical centers.

Bill Amended; Third Reading Ordered

S. 18.

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

An act relating to consumer justice enforcement.

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

Sec. 1. 9 V.S.A. chapter 152 is added to read:

CHAPTER 152. MODEL STATE CONSUMER JUSTICE ENFORCEMENT ACT; STANDARD-FORM CONTRACTS

§ 6055. UNCONSCIONABLE TERMS IN STANDARD-FORM CONTRACTS PROHIBITED

(a) Unconscionable terms. There is a rebuttable presumption that the following contractual terms are substantively unconscionable when included in a standard-form contract to which only one of the parties to the contract is an individual and that individual does not draft the contract:

(1) A requirement that resolution of legal claims takes place in an inconvenient venue. As used in this subdivision, "inconvenient venue" for State law claims means a place other than the state in which the individual resides or the contract was consummated, and for federal law claims means a place other than the federal judicial district where the individual resides or the contract was consummated. Notwithstanding this subdivision, a standard-form contract may include a term requiring that resolution of legal claims takes place in a State or federal court in Vermont.

(2) A waiver of the individual's right to assert claims or seek remedies provided by State or federal statute.

(3) A waiver of the individual's right to seek punitive damages as provided by law.

(4) Pursuant to 12 V.S.A. § 465, a provision that limits the time in which an action may be brought under the contract or that waives the statute of limitations.

(5) A requirement that the individual pay fees and costs to bring a legal claim substantially in excess of the fees and costs that this State's courts require to bring such a State law claim or that federal courts require to bring such a federal law claim.

(b) Relation to common law and the Uniform Commercial Code. In determining whether the terms described in subsection (a) of this section are unenforceable, a court shall consider the principles that normally guide courts in this State in determining whether unconscionable terms are enforceable. Additionally, the common law and Uniform Commercial Code shall guide courts in determining the enforceability of unfair terms not specifically identified in subsection (a) of this section.

(c) Severability.

(1) If a court finds that a standard-form contract contains an illegal or unconscionable term, the court shall:

(A) refuse to enforce the entire contract or the specific part, clause, or provision containing the illegal or unconscionable term; or

(B) so limit the application of the illegal or unconscionable term or the clause containing such term as to avoid any illegal or unconscionable result.

(2) In performing its analysis under this subsection (c), the court shall consider the actual purposes of the contracting parties and whether severing the term would create an incentive for contract drafters to include similar illegal or unconscionable terms.

(d) Unfair and deceptive act and practice.

(1) In an underlying legal dispute between the drafting and nondrafting parties in which the drafting party seeks to enforce one or more terms identified in subsection (a) of this section, and upon a finding that such terms are actually unconscionable, the court may also find that the drafting party has thereby committed an unfair and deceptive practice in violation of section 2453 of this title and may order up to \$1,000.00 in statutory damages per violation and an award of reasonable costs and attorney's fees.

(2) Each term found to be unconscionable pursuant to subsection (a) of this section shall constitute a separate violation of this section.

(e) Limitation on applicability. This section shall not apply to the following contracts:

(1) A contract to which one party is:

(A) regulated by the Vermont Department of Financial Regulation; or

(B) a financial institution as defined by 8 V.S.A. § 11101(32).

(2) A contract for the nondrafting party's enrollment or participation in a recreational activity, sport, or competition.

Sec. 2. EFFECTIVE DATE

This act shall take effect on October 1, 2020.

And that when so amended the bill ought to pass.

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

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

H. 3.

House bill entitled:

An act relating to ethnic and social equity studies standards for public schools.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the Senate proposal of amendment in Sec. 1, subsection (a) (findings), by striking out subdivision (4) in its entirety and inserting in lieu thereof a new subdivision (4) to read as follows:

(4) According to the U.S. Department of Justice report on hate crimes in Vermont in 2017, of the 35 hate crimes reported in 2017, 51 percent were based on a motivation involving racial bias, 23 percent were based on a motivation involving sexual orientation bias, 17 percent were based on a motivation involving religious bias, and 9 percent were based on a motivation involving disability bias.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment, which was agreed to on a roll call, Yeas 28, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Pearson, Starr.

Third Reading Ordered

J.R.S. 13.

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

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Okemo Limited Liability Company and to authorize a conveyance of Woodchuck Mountain in Newbury as an alternative to the conveyance authorized in 2002 Acts and Resolves No. 149, Sec. 83(a)(3).

Reported that the joint resolution ought to be adopted.

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

Third Reading Ordered

S. 109.

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

An act relating to captive insurance companies and risk retention groups.

Reported that the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 54.

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

An act relating to the regulation of cannabis.

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

* * * Title Redesignation * * *

Sec. 1. Title 7 of the V.S.A. is redesignated to read:

7. ALCOHOLIC BEVERAGES, CANNABIS, AND TOBACCO

* * * Cannabis Generally; Cannabis Control Board * * *

Sec. 2. 7 V.S.A. chapter 31 is added to read:

CHAPTER 31. CANNABIS

Subchapter 1. General Provisions

§ 831. DEFINITIONS

As used in this chapter:

(1) "Board" means the Cannabis Control Board.

(2)(A) "Cannabis" means all parts of the plant Cannabis sativa L., except as provided by subdivision (B) of this subdivision (2), whether growing or harvested, and includes:

(i) the seeds of the plant;

(ii) the resin extracted from any part of the plant; and

(iii) any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

(B) "Cannabis" does not include:

(i) the mature stalks of the plant and fiber produced from the stalks;

(ii) oil or cake made from the seeds of the plant;

(iii) any compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, fiber, oil, or cake;

(iv) the sterilized seed of the plant that is incapable of germination; or

(v) hemp or hemp products, as defined in 6 V.S.A. § 562.

(3) "Cannabis product" means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture.

(4) "Chair" means the chair of the Cannabis Control Board.

(5) "Public place" means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the use or possession of a lighted tobacco product, tobacco product, or tobacco substitute as defined in section 1001 of this title is prohibited by law.

<u>§ 832. CANNABIS POSSESSED UNLAWFULLY SUBJECT TO</u> <u>SEIZURE AND FORFEITURE</u>

Cannabis possessed unlawfully in violation of this title may be seized by law enforcement and is subject to forfeiture.

§ 833. CONSUMPTION OF CANNABIS IN A PUBLIC PLACE

No person shall consume cannabis in a public place unless specifically authorized by law. Violations shall be punished in accordance with 18 V.S.A. § 4230a.

Subchapter 2. Cannabis Control Board

§ 841. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

(a) Creation. There is created within the Executive Branch an independent commission named the Cannabis Control Board for the purpose of safely, equitably, and effectively implementing and administering the laws enabling access to medical and adult-use cannabis in Vermont.

(b) Duties. The duties of the Board shall be:

(1) rulemaking in accordance with this chapter, chapters 33–37 of this title, and 3 V.S.A. chapter 25;

(2) administration of a program for licensed cannabis establishments, which shall include compliance and enforcement;

(3) administration of the Medical Cannabis Registry on and after January 1, 2021;

(4) administration of a program for licensed medical cannabis dispensaries, which shall include compliance and enforcement, on and after January 1, 2021; and

(5) submission of an annual budget to the Governor.

(c) Membership.

(1) The Board shall consist of five members who shall be appointed as follows:

(A) one member who shall be appointed by the Governor and who shall have a background in consumer protection;

(B) one member who shall be appointed by the Senate Committee on Committees and who shall have a background in agriculture, horticulture, or plant science;

(C) one member who shall be appointed by the Speaker of the House and who shall have a background in systemic social justice and equity issues;

(D) one member who shall be appointed by the Treasurer and who shall have a background in business management or corporate structures; and

(E) one member who shall be appointed by the Attorney General and who shall have a background in legal or regulatory compliance.

(2) Board members shall serve for a term of three years or until a successor is appointed and shall be eligible for reappointment, provided that no member may serve more than nine years.

(3) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term. A member appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of subdivision (2) of this subsection.

(4) A member may be removed only for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act.

(5) The Board shall elect a chair from among its membership.

(d)(1) Conflicts of interest. No Board member shall, during his or her term or terms on the Board, be an officer of, director of, organizer of, employee of, consultant to, or attorney for any person subject to regulation by the Board.

(2) No Board member shall participate in creating or applying any law, rule, or policy or in making any other determination if the Board member, individually or as a fiduciary, or the Board member's spouse, parent, or child wherever residing or any other member of the Board member's family residing in his or her household has an economic interest in the matter before the Board or has any more than a de minimus interest that could be substantially affected by the proceeding. (3) No Board member shall, during his or her term or terms on the Board, solicit, engage in negotiations for, or otherwise discuss future employment or a future business relationship of any kind with any person subject to supervision or regulation by the Board.

(4) No Board member may appear before the Board or any other State agency on behalf of a person subject to supervision or regulation by the Board for a period of one year following his or her last day as a member of the Cannabis Control Board.

(e) Salaries. The Chair and all members of the Board shall be full-time State employees and shall be exempt from the State classified system. Members shall receive compensation equal to one-third that of a Superior judge.

(f) Executive Director. The Board shall appoint an Executive Director. The Director shall be a full-time State employee and shall be exempt from the State classified system. The Director shall be responsible for:

(1) supervising and administering the operation and implementation of this chapter and the rules adopted by the Board as directed by the Board;

(2) assisting the Board in its duties and administering the licensing requirements of this chapter;

(3) acting as Secretary to the Board, but as a nonvoting member of the Board;

(4) employing such staff as may be required to carry out the functions of the Board; and

(5) preparing an annual budget for submission to the Board.

(g) Consultant. The Board is authorized to hire a consultant as needed to assist with its duties under this section.

(h) The Board may establish an advisory committee composed of members with expertise and knowledge relevant to the Board's mission.

§ 842. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

The Board shall establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation as required by chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title.

§ 843. CANNABIS REGULATION FUND

(a) There is established the Cannabis Regulation Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The Fund shall be maintained by the Cannabis Control Board.

(b) The Fund shall be composed of:

(1) all application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title; and

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title.

(c) Monies from the fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapters 33 (cannabis establishments), chapter 35 (medical cannabis registry), and 37 (medical cannabis dispensaries).

<u>§ 844. FEES</u>

(a) The Board shall have the authority to charge and collect fees as provided by this chapter and chapters 33–37 of this title.

(b) Fees shall be deposited in the Cannabis Regulation Fund.

Sec. 3. IMPLEMENTATION OF THE CANNABIS CONTROL BOARD

(a) The Cannabis Control Board, created in Sec. 2 of this act, is established on July 1, 2019.

(b) Members of the Commission shall be appointed on or before September 1, 2019 and terms of members shall officially begin on such date.

(c)(1) In order to stagger the terms of the members of the Board, the initial terms of those members shall be as follows:

(A) the Governor shall appoint one member for a three-year term;

(B) the Governor shall appoint one member for a one-year term;

(C) the Senate Committee on Committees shall appoint one member for a two-year term;

(D) the Speaker of the House shall appoint one member for a twoyear term; and

(E) the Attorney General shall appoint one member for a one-year term.

(2) After the expiration of the initial terms set forth in subdivision (1) of this subsection, Board member terms shall be as set forth in 7 V.S.A. § 841.

Sec. 4. IMPLEMENTATION OF RULEMAKING BY THE CANNABIS CONTROL BOARD

On or before October 15, 2019, the Cannabis Control Board shall initiate rulemaking for cannabis establishments pursuant to 7 V.S.A. § 881 as provided in Sec. 7 of this act, the Medical Cannabis Registry pursuant to 7 V.S.A. § 952 as provided in Sec. 9 of this act, and medical cannabis dispensaries pursuant to 7 V.S.A. § 974 as provided in Sec. 12 of this act.

Sec. 5. CANNABIS CONTROL BOARD; FEES; REPORT

(a) On or before January 15, 2020, the Executive Director of the Cannabis Control Board shall provide recommendations for the following fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 844 to the General Assembly on or before January 15, 2020. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d).

(1) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. \$ 909: cultivator, product manufacturer, wholesaler, retailer, and testing laboratory. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.

(2) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.

(3) Initial annual fee and annual renewal fee for a patient on the Medical Cannabis Registry as provided in 7 V.S.A. § 955.

(4) Initial annual fee and annual renewal fee for a caregiver on the Medical Cannabis Registry as provided in 7 V.S.A. § 955.

(5) Application fee, initial annual fee, and annual renewal fee for medical cannabis dispensaries.

(6) Fee for a medical cannabis dispensary identification card as provided in 7 V.S.A. § 975.

(b) On or before January 15, 2020, the Executive Director of the Cannabis Control Board shall submit to the General Assembly the Board's information regarding the following:

(1) Resources necessary for implementation of this act for fiscal year 2021. The Board shall consider utilization of current expertise and resources

within State government and cooperation with other State departments and agencies where there may be an overlap in duties.

(2) A proposal to work with the Department of Labor, Agency of Commerce and Community Development, and the Department of Corrections to develop outreach, training and employment programs focused on providing economic opportunities to individuals who historically have been disproportionately impacted by cannabis prohibition.

(3) The experience of other jurisdictions with regulated cannabis markets that allow licensed retail cannabis establishments to deliver to customers and the advantages and disadvantages of allowing such deliveries in Vermont.

Sec. 6. CANNABIS CONTROL BOARD; POSITIONS

The following new permanent positions are created in the Cannabis Control Board:

(1) Five full-time, exempt members of the Board;

(2) One full-time, exempt Executive Director of the Board; and

(3) One full-time, classified Administrative Assistant.

Sec. 6a. BUILDINGS AND GENERAL SERVICES; SPACE ALLOCATION

The Commissioner of Buildings and General Services shall allocate space for the Cannabis Control Board established in Sec. 2 of this act. This space shall be allocated on or before September 1, 2019.

* * * Cannabis Establishments * * *

Sec. 7. 7 V.S.A. chapter 33 is added to read:

CHAPTER 33. CANNABIS ESTABLISHMENTS

Subchapter 1. General Provisions

§ 861. DEFINITIONS

As used in this chapter:

(1) "Affiliate" means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with another person.

(2) "Applicant" means a person that applies for a license to operate a cannabis establishment pursuant to this chapter.

(3) "Board" means the Cannabis Control Board.

(4) "Cannabis" shall have the same meaning as provided in section 831 of this title.

(5) "Cannabis cultivator" or "cultivator" means a person licensed by the Board to engage in commercial cultivation of cannabis in accordance with this chapter.

(6) "Cannabis establishment" means a cannabis cultivator, wholesaler, product manufacturer, retailer, or testing laboratory licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

(7) "Cannabis product" means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture.

(8) "Cannabis product manufacturer" or "product manufacturer" means a person licensed by the Board to manufacture, prepare, and package cannabis products and to sell cannabis products to a licensed retailer, wholesaler, or another product manufacturer in accordance with this chapter.

(9) "Cannabis retailer" or "retailer" means a person licensed by the Board to sell cannabis and cannabis products to consumers for off-site consumption in accordance with this chapter.

(10) "Cannabis testing laboratory" or "testing laboratory" means a person licensed by the Board to test cannabis for cultivators, product manufacturers, wholesalers, and retailers, in accordance with this chapter.

(11) "Cannabis wholesaler" or "wholesaler" means a person licensed by the Board to buy cannabis from cultivators and process, transport, and sell cannabis to licensed product manufacturers and retailers.

(12) "Chair" means the Chair of the Cannabis Control Board.

(13) "Controls," "is controlled by," and "under common control" mean the power to direct, or cause the direction or management and policies of a person, whether through the direct or beneficial ownership of voting securities, by contract, or otherwise. A person who directly or beneficially owns 10 percent or more equity interest, or the equivalent thereof, of another person shall be deemed to control the person.

(14) "Dispensary" means a business organization licensed pursuant to chapter 37 of this title.

(15) "Enclosed, locked facility" shall be either indoors or outdoors, not visible to the public, and may include a building, room, greenhouse, fully enclosed fenced-in area, or other location enclosed on all sides and equipped with locks or other security devices that permit access only by:

(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.

(B) Government employees performing their official duties.

(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.

(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator.

(16) "Municipality" means a town, city, or incorporated village.

(17) "Person" shall include any natural person; corporation; municipality; the State of Vermont or any department, agency, or subdivision of the State; and any partnership, unincorporated association, or other legal entity.

(18) "Plant canopy" means the square footage dedicated to live plant production and does not include areas such as office space or areas used for the storage of fertilizers, pesticides, or other products.

(19) "Principal" means an individual vested with the authority to conduct, manage, or supervise the business affairs of a person, and may include the president, vice president, secretary, treasurer, manager, or similar executive officer of a business; a director of a corporation, nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit corporation, cooperative, or member-managed limited liability company; and a partner of a partnership.

(20) "Resident" means a person who is domiciled in Vermont, subject to the following:

(A) The process for determining the domicile of an individual shall be the same as that required by rules adopted by the Department of Taxes related to determining domicile for the purpose of the interpretation and administration of 32 V.S.A. § 5401(14).

(B) The domicile of a business entity is the state in which it is organized.

§ 862. NOT APPLICABLE TO HEMP OR MEDICAL USE OF CANNABIS

This chapter applies to the regulation of cannabis establishments by the Board and shall not apply to activities regulated by 6 V.S.A. chapter 34 (hemp), 18 V.S.A. chapter 84 (therapeutic use of cannabis), or chapters 35 (Medical Cannabis Registry) and 37 of this title (cannabis medical dispensaries).

§ 863. REGULATION BY LOCAL GOVERNMENT

(a)(1) A municipality, by majority vote of those present and voting at an annual or special meeting warned for that purpose, may prohibit the operation of a cannabis establishment or a specific type of cannabis establishment within the municipality. The provisions of this subdivision shall not apply to a cannabis establishment that is operating within the municipality at the time of the vote.

(2) A vote to prohibit the operation of a cannabis establishment within the municipality shall remain in effect until rescinded by majority vote of those present and voting at an annual or special meeting warned for that purpose.

(b) A municipality that hosts a cannabis establishment may establish a cannabis control commission composed of commissioners who may be members of the municipal legislative body. The local cannabis control commission may administer municipal permits under this subsection for cannabis establishments within the municipality. The commissioners may condition the issuance of a municipal permit upon compliance with any bylaw adopted pursuant to 24 V.S.A. § 4414 or ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A. § 2291. The commission may suspend or revoke a local control permit for violation of any condition placed upon the issuance of a local permit for a cannabis establishment in accordance with this subsection. All applications for and forms of municipal licenses and permits shall be prescribed by the Board.

(c) A municipality shall not:

(1) prohibit the operation of a cannabis establishment within the municipality through an ordinance adopted pursuant to 24 V.S.A. § 2291 or a bylaw adopted pursuant to 24 V.S.A. § 4414;

(2) condition the operation of a cannabis establishment, or the issuance or renewal of a municipal permit to operate a cannabis establishment, on any basis other than the conditions in subsection (b) of this section; and

(3) exceed the authority granted to it by law to regulate a cannabis establishment.

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<u>§ 864. ADVERTISING</u>

(a) Cannabis advertising shall not contain any statement or illustration that:

(1) is deceptive, false or misleading;

(2) promotes overconsumption;

(3) represents that the use of cannabis has curative effects;

(4) depicts a person under 21 years of age consuming cannabis; or

(5) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

(b) Cannabis establishments shall not advertise their products via flyers, television, radio, billboards, print, or Internet unless the licensee can show that no more than 30 percent of the audience is reasonably expected to be under 21 years of age.

(c) All advertising shall contain the following warnings:

(1) For use only by adults 21 years of age or older. Keep out of the reach of children.

(2) Cannabis has intoxicating effects and may impair concentration, coordination, and judgment.

§ 865. EDUCATION

(a) A licensee shall complete an enforcement seminar every three years conducted by the Board. A license shall not be renewed unless the records of the Board show that the licensee has complied with the terms of this subsection.

(b) A licensee shall ensure that each employee involved in the sale of cannabis completes a training program approved by the Board prior to selling cannabis and at least once every 24 months thereafter. A licensee shall keep a written record of the type and date of training for each employee, which shall be signed by each employee. A licensee may comply with this requirement by conducting its own training program on its premises, using information and materials furnished by the Board. A licensee who fails to comply with the requirements of this section shall be subject to a suspension of not less than one day of the license issued under this chapter.

Subchapter 2. Administration

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–(5) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment, including submission of an operating plan and the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 883 of this title;

(C) oversight requirements;

(D) inspection requirements;

(E) records to be kept by licensees and the required availability of the records;

(F) employment and training requirements;

(G) security requirements, including lighting, physical security, video, and alarm requirements;

(H) restrictions on advertising, marketing, and signage;

(I) health and safety requirements;

(J) regulation of additives to cannabis, including those that are toxic or designed to make the product more addictive, more appealing to persons under the age of 21, or to mislead consumers;

(K) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;

(L) regulation of the storage and transportation of cannabis;

(M) sanitary requirements;

(N) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(O) procedures for suspension and revocation of a license;

(P) requirements for banking and financial transactions; and

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition.

(2)(A) Rules concerning cultivators shall include:

(i) creation of a tiered system of licensing based on square footage of cultivation space;

(ii) restrictions on the use by cultivators of pesticides that are injurious to human health;

(iii) standards for both the indoor and outdoor cultivation of cannabis, including environmental protection requirements;

(iv) procedures and standards for testing cannabis for contaminants and potency and for quality assurance and control;

(v) labeling requirements for products sold to retailers that include appropriate warnings concerning the potential risks of consuming cannabis and the need to keep the product away from persons under 21 years of age;

(vi) regulation of visits to the establishments, including the number of visitors allowed at any one time and record keeping concerning visitors; and

(vii) facility inspection requirements and procedures.

(B) The Board shall consider the different needs and risks of small cultivators of not more than 500 square feet when adopting rules and shall make an exception or accommodation to such rules for cultivators of this size where appropriate.

(3) Rules concerning product manufacturers shall include:

(A) requirements that cannabis products are labeled in a manner which states the number of servings of delta-9 tetrahydrocannabinol in the product, measured in servings of a maximum of 10 milligrams per serving, except:

(i) cannabis products that are not consumable, including topical preparations; and

(ii) cannabis products sold to a dispensary pursuant to 7 V.S.A. chapter 37 and regulations issued pursuant to that chapter;

(B) requirements that a single package of a cannabis product shall not contain more than 100 milligrams of THC, except in the case of:

(i) cannabis products that are not consumable, including topical preparations; and

(ii) cannabis products sold to a dispensary pursuant to 7 V.S.A. chapter 37 and regulations issued pursuant to that chapter;

(C) requirements for opaque, child-resistant packaging;

(D) requirements for labeling of cannabis products that include the length of time it typically takes for products to take effect and appropriate

warnings concerning the potential risks of consuming cannabis and the need to keep the product away from persons under the age of 21;

(E) requirements that a cannabis product is clearly identifiable with a standard symbol indicating that it contains cannabis; and

(F) a prohibition on:

(i) products or packaging that are designed to make the product more appealing to persons under 21 years of age; and

(ii) the inclusion of nicotine or alcoholic beverages in a cannabis product.

(4) Rules concerning retailers shall include:

(A) requirements for proper verification of age of customers;

(B) restrictions that cannabis shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the cannabis;

(C) requirements that if the retailer sells hemp or hemp products, the hemp and hemp products are clearly labeled as such and displayed separately from cannabis and cannabis products; and

(D) facility inspection requirements and procedures.

(5) Rules concerning testing laboratories shall include:

(A) procedures and standards for testing cannabis for contaminants and potency and for quality assurance and control;

(B) reporting requirements, including requirements for chain-ofcustody record keeping; and

(C) procedures for destruction of all cannabis and cannabis products samples.

(b) The Board shall consult with other State agencies and departments as necessary in the development and adoption of rules where there is shared expertise and duties.

<u>§ 882. SUSPENSION AND REVOCATION OF LICENSES; CIVIL</u> <u>VIOLATIONS</u>

(a) The Board shall have the authority to suspend or revoke a license for violations of this chapter in accordance with rules adopted pursuant to this chapter.

(b) The Board shall have the authority to adopt rules for the issuance of civil citations for violations of this chapter and the rules adopted pursuant to

this chapter. Any proposed rule under this section shall include the full, minimum, and waiver penalty amounts for each violation.

§ 883. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

(a) The Board shall obtain from the Vermont Crime Information Center a copy of a license applicant's fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

§ 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

(a) Every owner, principal, and employee of a cannabis establishment shall obtain an identification card issued by the Board.

(b)(1) Prior to issuing the identification card, the Board shall obtain from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a cannabis establishment identification card because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

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

(d) An identification card shall expire one year after its issuance or upon the expiration of the cannabis establishment's license, whichever occurs first.

Subchapter 3. Licenses

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

(b) All licenses shall expire at midnight on April 30 of each year, beginning not earlier than 10 months after the original license was issued to the cannabis establishment.

(c) Applications for licenses and renewals shall be submitted on forms provided by the Board and shall be accompanied by the fees provided for in section 909 of this title.

(d)(1) There shall be five types of licenses available:

(A) a cultivator license;

(B) a wholesaler license;

(C) a product manufacturer license;

(D) a retailer license; and

(E) a testing laboratory license.

(2) The Board shall develop tiers for cultivator licenses based on the plant canopy size of the cultivation operation or plant count for breeding stock and may develop tiers for other licenses as appropriate.

(3) An applicant and its affiliates may obtain a maximum of one type of each license under this chapter. Each license shall permit only one location of the establishment. A dispensary license issued pursuant to chapter 37 of this title does not count toward the license limits provided in this section.

(e) A dispensary that obtains a retailer license pursuant to this chapter shall maintain the dispensary and retail operations in a manner that protects patient and caregiver privacy in accordance with rules adopted by the Board.

(f) Each licensee shall obtain and maintain commercial general liability insurance in accordance with rules adopted by the Board. Failure to provide proof of insurance to the Board, as required, may result in revocation of the license.

(g)(1) The following records shall be exempt from public inspection and copying under the Public Records Act and shall be confidential:

(A) any record in an application for a license relating to security, public safety, transportation or trade secrets; and

(B) any licensee record relating to security, public safety, transportation, trade secrets, or employees.

(2) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

§ 902. LICENSE QUALIFICATIONS AND APPLICATION PROCESS

(a) An applicant, principal of an applicant, and person who owns or controls an applicant, who is a natural person:

(1) shall be 21 years of age or older; and

(2) shall consent to the release of his or her criminal and administrative history records.

(b) As part of the application process, each applicant shall submit, in a format prescribed by the Board, an operating plan. The Board shall adopt rules regarding the required components of an application for each type of license.

(c) The Board shall obtain a fingerprint-based Vermont criminal history record, an out-of-state criminal history record, a criminal history record from the Federal Bureau of Investigation, and any regulatory records relating to the operation of a business in this State or any other jurisdiction for each of the following who is a natural person:

(1) the applicant;

(2) each proposed principal;

(3) each individual who would control the business.

§ 903. PRIORITIES

(a) The Board shall issue licenses pursuant to this chapter as determined according to a system of priorities adopted by rule by the Board. The system of priorities shall require consideration of criteria, including:

(1) whether the applicants, a majority of principals, and those holding majority control of the proposed business are residents of Vermont;

(2) whether the applicants have an existing medical cannabis dispensary license in good standing;

(3) whether the applicants would foster social justice and equity in the cannabis industry by being a minority or women-owned business;

(4) whether the applicants propose specific plans to recruit, hire, and implement a development ladder for minorities, women, or individuals who have historically been disproportionately impacted by cannabis prohibition;

(5) whether applicants propose specific plans to pay employees a living wage and offer benefits;

(6) whether the project incorporates principles of environmental resiliency or sustainability, including energy efficiency; and

(7) the geographic distribution of cannabis establishments based on population and market needs.

(b) In an annual license renewal application, a cannabis establishment that was granted a priority license based on this section shall include information demonstrating that it continues to satisfy such criteria.

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may cultivate, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, or dispensary.

(b) Cultivation of cannabis shall occur only in an enclosed, locked facility.

(c) Representative samples of each lot or batch of cannabis intended for human consumption shall be tested for safety and potency in accordance with rules adopted by the Board.

(d) Each cultivator shall create packaging for its cannabis.

(1) Packaging shall include:

(A) The name and registration number of the cultivator.

(B) The strain of cannabis contained. Cannabis strains shall be either pure breeds or hybrid varieties of cannabis and shall reflect properties of the plant.

(C) The potency of the cannabis represented by the percentage of tetrahydrocannabinol and cannabidiol by mass.

(D) A "produced on" date reflecting the date that the cultivator finished producing the cannabis.

(E) Appropriate warnings as prescribed by the Board in rule.

(F) Any additional requirements contained in rules adopted by the Board in accordance with this chapter. Rules shall take into consideration that different labeling requirements may be appropriate depending on whether the cannabis is sold to a wholesaler, product manufacturer, or retailer.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(e)(1) Only unadulterated cannabis shall be offered for sale. If, upon inspection, the Board finds any violative pesticide residue or other contaminants of concern, the Board shall order the cannabis, either individually or in blocks, to be:

(A) put on stop-sale;

(B) treated in a particular manner; or

(C) destroyed according to the Board's instructions.

(2) Cannabis ordered destroyed or placed on stop-sale shall be clearly separable from salable cannabis. Any order shall be confirmed in writing within seven days. The order shall include the reason for action, a description of the cannabis affected, and any recommended treatment.

(3) A person may appeal an order issued pursuant to this section within 15 days after receiving the order. The appeal shall be made in writing to the Secretary and shall clearly identify the cannabis affected and the basis for the appeal.

§ 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

(1) purchase cannabis from licensed cultivators and cannabis products from licensed product manufacturers;

(2) transport, possess, package, and sell cannabis and cannabis products to a licensed product manufacturer, retailer, and dispensary.

§ 906. PRODUCT MANUFACTURER LICENSE

A product manufacturer licensed under this chapter may:

(1) purchase cannabis from licensed cultivators and wholesalers and cannabis products from licensed wholesalers and product manufacturers;

(2) use cannabis and cannabis products to produce cannabis products; and

(3) transport, possess, package, and sell cannabis products to licensed wholesalers, product manufacturers, and retailers.

§ 907. RETAILER LICENSE

(a) A retailer licensed under this chapter may:

(1) purchase cannabis from a licensed cultivator or wholesaler and cannabis products from a licensed wholesaler or licensed product manufacturer; and

(2) transport, possess, and sell cannabis and cannabis products to the public for consumption off the registered premises.

(b) In a single transaction, a retailer may provide one ounce of cannabis or the equivalent in cannabis products, or a combination thereof, to a person 21 years of age or older upon verification of a valid government-issued photograph identification card.

(c)(1) Packaging shall include:

(A) The strain of cannabis contained. Cannabis strains shall be either pure breeds or hybrid varieties of cannabis and shall reflect properties of the plant.

(B) The potency of the cannabis represented by the percentage of tetrahydrocannabinol and cannabidiol by mass.

(C) A "produced on" date reflecting the date that the cultivator finished producing the cannabis.

(D) Appropriate warnings as prescribed by the Board in rule.

(E) Any additional requirements contained in rules adopted by the Board in accordance with this chapter.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

(d) A retailer shall display a safety information flyer or flyers developed or approved by the Board and supplied to the retailer free of charge. The flyer or flyers shall contain information concerning the methods for administering cannabis, the amount of time it may take for cannabis products to take effect, the risks of driving under the influence of cannabis, the potential risks of cannabis use, the symptoms of problematic usage, and how to receive help for cannabis abuse.

(e) Internet sales and delivery of cannabis to customers are prohibited.

§ 908. TESTING LABORATORY LICENSE

(a) A testing laboratory licensed under this chapter may acquire, possess, analyze, test, and transport cannabis samples obtained from a licensed cannabis establishment.

(b) Testing may address the following:

(1) residual solvents;

(2) poisons or toxins;

(3) harmful chemicals;

(4) dangerous molds, mildew, or filth;

(5) harmful microbials, such as E. coli or salmonella;

(6) pesticides; and

(7) tetrahydrocannabinol and cannabidiol potency.

(c) A testing laboratory shall have a written procedural manual made available to employees to follow meeting the minimum standards set forth in rules detailing the performance of all methods employed by the facility used to test the analytes it reports.

(d) In accordance with rules adopted pursuant to this chapter, a testing laboratory shall establish a protocol for recording the chain of custody of all cannabis samples.

(e) A testing laboratory shall establish, monitor, and document the ongoing review of a quality assurance program that is sufficient to identify problems in the laboratory systems when they occur.

(f) A cannabis establishment that is subject to testing requirements under this chapter or rules adopted pursuant to this chapter shall have its cannabis or cannabis products tested by an independent licensed testing laboratory and not a licensed testing laboratory owned or controlled by the license holder of the cannabis establishment.

<u>§ 909. FEES</u>

(a) The Board shall charge and collect license application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license under this chapter. Fees shall be due and payable at the time of license application, annual license, or renewal.

(b) Fees shall be deposited in the Cannabis Regulation Fund.

Sec. 8. IMPLEMENTATION OF LICENSING CANNABIS ESTABLISHMENTS

(a)(1) On or before September 15, 2020, the Board shall begin accepting applications for cultivator licenses and testing laboratory licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion. During this initial application period, the Board shall give preference to smaller cultivation operations in an effort to encourage small local farmers to enter the market.

(2) On or before December 1, 2020, the Board shall begin issuing cultivator and testing laboratory licenses to qualified applicants.

(b)(1) On or before November 15, 2020, the Board shall begin accepting applications for product manufacturer licenses and wholesaler licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before February 1, 2021, the Board shall begin issuing product manufacturer and wholesaler licenses to qualified applicants.

(c)(1) On or before January 15, 2021, the Board shall begin accepting applications for retailer licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before April 1, 2021, the Board shall begin issuing retailer licenses to qualified applicants.

* * * Medical Cannabis Registry * * *

Sec. 9. 7 V.S.A. chapter 35 is added to read:

CHAPTER 35. MEDICAL CANNABIS REGISTRY

§ 951. DEFINITIONS

As used in this chapter:

(1) "Board" means the Cannabis Control Board.

(2) "Cannabis" has the same meaning as provided in section 831 of this title.

(3) "Cannabis product" has the same meaning as provided in section 831 of this title.

(4) "Dispensary" means a business organization licensed under chapter 37 of this title.

(5)(A) "Health care professional" means an individual licensed to practice medicine under 26 V.S.A. chapter 23 or 33, an individual licensed as a naturopathic physician under 26 V.S.A. chapter 81, an individual certified as a physician assistant under 26 V.S.A. chapter 31, or an individual licensed as an advanced practice registered nurse under 26 V.S.A. chapter 28.

(B) This definition includes individuals who are professionally licensed under substantially equivalent provisions in New Hampshire, Massachusetts, or New York. (6) "Immature cannabis plant" means a female cannabis plant that has not flowered and that does not have buds that may be observed by visual examination.

(7) "Mature cannabis plant" means a female cannabis plant that has flowered and that has buds that may be observed by visual examination.

(8) "Qualifying medical condition" means:

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

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

(C) a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.

(9) "Registry" means the Vermont Medical Cannabis Registry.

§ 952. REGISTRY

(a) The Board shall establish and manage the Vermont Medical Cannabis Registry for the purpose of allowing persons with qualifying medical conditions and their caregivers to obtain privileges regarding cannabis and cannabis product possession, use, cultivation, and purchase.

(b) A person who is a registered patient or a registered caregiver on behalf of a patient may:

(1) Cultivate no more than two mature and seven immature cannabis plants. Any cannabis harvested from the plants shall not count toward the three-ounce possession limit in subdivision (b)(2) of this section, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(2) Possess not more than three ounces of cannabis.

(3) Purchase cannabis and cannabis products at a licensed medical cannabis dispensary. Pursuant to chapter 37 of this title, a dispensary may offer goods and services that are not permitted at a cannabis establishment licensed pursuant to chapter 33 of this title.

(c)(1) Individual names and identifying information about patients and caregivers on the Registry are exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

(2) In response to a person-specific or property-specific inquiry by a law enforcement officer or agency made in the course of a bona fide investigation or prosecution, the Board may verify the identities and registered property addresses of the registered patient and the patient's registered caregiver. The law enforcement officer or agency shall keep confidential any identities and addresses received pursuant to this subdivision.

(d) The Board shall establish an application process through rulemaking.

§ 953. PATIENTS

(a) Pursuant to rules adopted by the Board, a person may register with the Board to obtain the benefits of the Registry as provided in section 952 of this title.

(b) An application by a person under 18 years of age shall be signed by both the applicant and the applicant's parent or guardian.

§ 954. CAREGIVERS

(a) Pursuant to rules adopted by the Board, a person may register with the Board as a caregiver of a registered patient to obtain the benefits of the Registry as provided in section 952 of this title.

(b)(1) Except as provided in subdivision (2) of this subsection, a caregiver shall serve only one patient at a time, and a patient shall have only one registered caregiver at a time. A patient may serve as a caregiver for one other patient.

(2) A patient who is under 18 years of age may have two caregivers.

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

(b) The Board shall charge and collect fees for annual registration for patients and caregivers. Fees shall be deposited in the Cannabis Regulation Fund as provided in section 843 of this title.

§ 956. RULEMAKING

The Board shall adopt rules for the administration of this chapter. No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

Sec. 10. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

(a) On January 1, 2021, patients and caregivers who are on the Department of Public Safety's Medical Marijuana Registry pursuant to 18 V.S.A. chapter 86 shall transfer to the Cannabis Control Board's Medical Cannabis Registry pursuant to 7 V.S.A. chapter 35. At such time, those patients and caregivers will be entitled to the privileges afforded registrants under 7 V.S.A. chapter 35 and rules adopted by the Board pursuant to 7 V.S.A. chapter 35.

(b) The registration card of a patient of caregiver who transfers to the new Registry shall expire on the date of the registration card and a patient or caregiver who wishes to continue participation on the Registry shall renew the registration card under rules adopted by the Board.

Sec. 11. REPEAL

18 V.S.A. chapter 86 (therapeutic use of cannabis) is repealed.

* * * Medical Cannabis Dispensaries * * *

Sec. 12. 7 V.S.A. chapter 37 is added to read:

CHAPTER 37. MEDICAL CANNABIS DISPENSARIES

§ 971. INTENT; PURPOSE

(a) It is the intent of the General Assembly to provide a well-regulated system of licensed medical cannabis dispensaries for the purpose of providing cannabis, cannabis products, and related services to patients and caregivers who are registered on the Medical Cannabis Registry pursuant to chapter 35 of this title. Vermont first authorized dispensaries in 2011, and it is the intent of the General Assembly that dispensaries continue to provide unique goods and services to registered patients and caregivers for therapeutic purposes in a market that also allows cannabis establishments licensed pursuant to chapter 33 of this title.

(b) A dispensary licensed pursuant to this chapter may engage in practices that are not permitted for a cannabis establishment. As such, a dispensary may:

(1) be vertically integrated under one license;

(2) sell tax-free cannabis and cannabis products to patients and caregivers;

(3) deliver cannabis and cannabis products to patients and caregivers;

(4) allow patients and caregivers to purchase cannabis and cannabis products without leaving their vehicles;

(5) produce and sell cannabis and cannabis products that have a higher THC content than is permitted for a cannabis establishment;

(6) produce and sell cannabis products that may not otherwise be permitted for a cannabis establishment, but that would be appropriate for use by a patient as determined by the Board through rulemaking; and

(7) sell larger quantities of cannabis and cannabis products than is permitted for a cannabis establishment.

§ 972. DEFINTIONS

As used in this chapter:

(1) "Board" means the Cannabis Control Board.

(2) "Cannabis" has the same meaning as provided in section 831 of this title.

(3) "Cannabis product" has the same meaning as provided in section 831 of this title.

(4) "Dispensary" means a business organization licensed under this chapter.

(5) "Registry" means the Vermont Medical Cannabis Registry.

§ 973. DISPENSARY LICENSE

(a) A dispensary licensed pursuant to this chapter may:

(1) cultivate, package, label, test, and transport cannabis;

(2) produce, package, label, test, and transport cannabis products;

(3) sell and deliver cannabis and cannabis products to patients and caregivers registered under chapter 35 of this title;

(4) acquire, purchase, or borrow cannabis, cannabis products, and services from another licensed Vermont medical cannabis dispensary or give, sell, or lend cannabis, cannabis products, and services to another licensed Vermont medical cannabis dispensary; and

(5) purchase cannabis and cannabis products from a cannabis establishment licensed pursuant to chapter 33 of this title.

(b) All records relating to security, transportation, public safety, trade secrets, and employees in an application for a license and for a licensee under

this chapter are exempt from public inspection and copying under the Public Records Act and shall be confidential. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

§ 974. RULEMAKING

(a) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate. No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.

(b) Rules shall include:

(1) the form and content of license and renewal applications;

(2) qualifications for licensure that are directly and demonstrably related to the operation of a dispensary, including submission of an operating plan and the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 975 of this title;

(3) oversight requirements;

(4) inspection requirements;

(5) records to be kept by licensees and the required availability of the records;

(6) employment and training requirements, including requiring that each employee have an identification badge;

(7) security requirements, including lighting, physical security, video, and alarm requirements;

(8) guidelines on advertising, marketing, and signage;

(9) health and safety requirements;

(10) procedures for suspension and revocation of a license;

(11) requirements for banking and financial transactions;

(12) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(13) restrictions on the use of pesticides that are injurious to human health;

(14) standards for both the indoor and outdoor cultivation of cannabis, including environmental protection requirements;

(15) regulation of additives to cannabis, prohibiting those that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead patients and caregivers;

(16) a prohibition on the inclusion of nicotine or alcoholic beverages in a cannabis product;

(17) requirements for opaque, child-resistant packaging of cannabis and cannabis products;

(18) labeling requirements for products sold to patients and caregivers that include:

(A) requirements that products are clearly identifiable with a standard symbol indicating that it is cannabis; and

(B) appropriate warnings concerning the potential negative consequences of consuming cannabis and the need to keep the product away from persons under 21 years of age;

(19) labeling requirements for cannabis products sold to patients and caregivers that include:

(A) requirements that cannabis products are clearly identifiable with a standard symbol indicating that it contains cannabis;

(B) identification of the amount of tetrahydrocannabinol and cannabidiol that constitutes a single serving; and

(C) the length of time it typically takes for products to take effect and appropriate warnings concerning the potential negative consequences of consuming cannabis and the need to keep the product away from persons under 21 years of age;

(20) limitations to a specific number of servings for each individual package of edible cannabis products with the exception of infused oils, powders, and liquids;

(21) procedures and standards for testing cannabis for contaminants and potency and for quality assurance and control;

(22) regulation of the storage and transportation of cannabis and cannabis products;

(23) pricing guidelines with a goal of ensuring cannabis and cannabis products are sufficiently affordable to patients and caregivers;

(24) regulation of visits to the establishments, including the number of visitors allowed at any one time and record keeping concerning visitors;

(25) requirements for the dissemination of educational materials to consumers who purchase cannabis and cannabis products;

(26) requirements for verification of a customer's Registry status;

(27) restrictions that cannabis and cannabis products shall be stored behind a counter or other barrier to ensure a customer does not have direct access to the cannabis or cannabis product;

(28) reporting requirements, including requirements for chain-ofcustody record keeping for testing samples; and

(29) procedures for destruction of all testing samples.

§ 975. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

(a) The Board shall obtain from the Vermont Crime Information Center a copy of a license applicant's fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a medical cannabis dispensary license because of his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify a candidate.

§ 976. DISPENSARY IDENTIFICATION CARD

(a) Every owner, principal, and employee of a medical cannabis dispensary shall obtain an identification card issued by the Board.

(b)(1) Prior to issuing the identification card, the Board shall obtain from the Vermont Crime Information Center a copy of the person's fingerprintbased Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a medical cannabis dispensary identification card because his or her criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify a candidate.

(c) Once an identification card application has been submitted, a person may serve as an employee of a dispensary pending the background check, provided the person is supervised in his or her duties by someone who is a cardholder. The Board shall issue a temporary permit to the person for this

purpose, which shall expire upon the issuance of the identification card or disqualification of the person in accordance with this section.

(d) An identification card shall expire one year after its issuance or upon the expiration of the dispensary's license, whichever occurs first.

<u>§ 977. FEES</u>

(a) The Board shall charge and collect the following fees for dispensaries:

(1) application fees;

(2) annual license fees; and

(3) annual renewal fees.

(b) Fees shall be deposited in the Cannabis Regulation Fund as provided in section 843 of this title.

Sec. 13. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRIES

(a) On January 1, 2021, regulation of medical marijuana dispensaries that are registered pursuant to 18 V.S.A. chapter 86 shall transfer from the Department of Public Safety to the Cannabis Control Board. At such time, those registered dispensaries shall operate pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.

(b) The registration certificate of a dispensary that transfers to the Board shall expire on the date of issue of the certificate and a dispensary that wishes to continue operating as a dispensary shall apply to the Board for a dispensary license pursuant to 7 V.S.A. chapter 37 and the rules adopted by the Board pursuant to chapter 37.

* * * Creation of Excise and Local Option Tax * * *

Sec. 14. 32 V.S.A. chapter 207 is added to read:

CHAPTER 207. CANNABIS TAXES

§ 7901. CANNABIS EXCISE TAX

(a) There is imposed a cannabis excise tax equal to 10 percent of the sales price, as that term is defined in subdivision 9701(4) of this title, of each retail sale in this State of cannabis and cannabis products, including food or beverages, as defined under 7 V.S.A. § 831.

(b) The tax imposed by this section shall be paid by the purchaser to the retailer. Each retailer shall collect from the purchaser the full amount of the tax payable on each taxable sale.

(c) The tax imposed by this section is separate from and in addition to the cannabis local option tax authorized under section 7902 of this title. The tax

imposed by this section shall not be part of the sales price to which the cannabis local option tax applies. The cannabis excise tax shall be separately itemized from the cannabis local option tax on the receipt provided to the purchaser.

(d) The following sales shall be exempt from the tax imposed under this section:

(1) sales under any circumstances in which the State is without power to impose the tax;

(2) sales made by any dispensary as authorized under 7 V.S.A. chapter 37, provided that the cannabis or cannabis product is sold only to registered qualifying patients directly or through their registered caregivers; and

(3) sales for resale.

§ 7902. CANNABIS LOCAL OPTION TAX

(a) Notwithstanding 24 V.S.A. § 138, any municipality may collect a cannabis local option tax not to exceed two percent of the sales price, as that term is defined in subdivision 9701(4) of this title, on each retail sale in the municipality of cannabis and cannabis products, including food and beverages, as defined under 7 V.S.A. § 831.

(b) The cannabis local option tax may be adopted by a municipality that has:

(1) not prohibited the retail sale of cannabis and cannabis products within the municipality; and

(2) provided notice of the imposition and the amount to the Department of Taxes at least 90 days prior to the first day of the tax quarter when the cannabis local option tax will be collected.

(c) The tax imposed by this section shall be paid by the purchaser to the retailer. Each retailer shall collect from the purchaser the full amount of the tax payable on each taxable sale.

(d) The tax imposed by this section is separate from and in addition to the cannabis excise tax authorized under section 7901 of this title. The tax imposed by this section shall not be part of the sales price to which the cannabis excise tax applies. The cannabis local option tax shall be separately itemized from the cannabis excise tax on the receipt provided to the purchaser.

(e) The following sales shall be exempt from the tax imposed under this section:

(1) sales under any circumstances in which the State is without power to impose the tax;

(2) sales made by any dispensary as authorized under 7 V.S.A. chapter 37, provided that the cannabis or cannabis product is sold only to registered qualifying patients directly or through their registered caregivers; and

(3) sales for resale.

(f) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes, and provided to the municipality in which they were collected on a quarterly basis.

(g) As used in this section, "municipality" means a city, town, or incorporated village.

(h) Nothing in this section shall affect the validity of any existing provision of law or municipal charter authorizing a municipality to impose a local option tax on anything not subject to the cannabis local option tax.

§ 7903. LIABILITY FOR TAXES

(a) Any tax collected in accordance with this chapter shall be deemed to be held by the retailer in trust for the State of Vermont. Any tax collected under this chapter shall be accounted for separately so as clearly to indicate the amount of tax collected and that the same are the property of the State of Vermont.

(b) Every retailer required to collect and remit tax under this chapter to the Commissioner shall be personally and individually liable for the amount of such tax together with such interest and penalty as has accrued under this title. If the retailer is a corporation or other entity, the personal liability shall extend to any officer or agent of the corporation or entity who as an officer or agent of the same has the authority to collect and remit tax to the Commissioner of Taxes as required in this chapter.

(c) A retailer shall have the same rights in collecting tax from his or her purchaser or regarding nonpayment of tax by the purchaser as if the tax or taxes were a part of the purchase price of cannabis or cannabis products and payable at the same time; provided, however, if the retailer required to collect tax has failed to remit any portion of the tax or taxes to the Commissioner of Taxes, the Commissioner of Taxes shall be notified of any action or proceeding brought by the retailer to collect tax and shall have the right to intervene in such action or proceeding. (d) A retailer required to collect tax may also refund or credit to the purchaser any tax erroneously, illegally, or unconstitutionally collected. No cause of action that may exist under State law shall accrue against the retailer for tax collected unless the purchaser has provided written notice to a retailer and the retailer has had 60 days to respond.

§ 7904. RETURNS; RECORDS

(a) Any retailer required to collect tax imposed by this chapter shall, on or before the 15th day of every month, return to the Department of Taxes, under oath of a person with legal authority to bind the retailer, a statement containing its name and place of business, the total amount of sales subject to the cannabis excise tax and cannabis local option tax, if applicable, made in the preceding month, and any information required by the Department of Taxes, along with the total tax due. The Commissioner of Taxes may require that returns be submitted electronically.

(b) Every retailer shall maintain, for not less than three years, accurate records showing all transactions subject to tax liability under this chapter. The records are subject to inspection by the Department of Taxes at all reasonable times during normal business hours.

§ 7905. BUNDLED TRANSACTIONS

(a) Except as provided in subsection (b) of this section, a retail sale of a bundled transaction that includes cannabis or a cannabis product is subject to the cannabis excise tax and cannabis local option tax, where applicable, imposed by this chapter on the entire selling price of the bundled transaction.

(b) If the selling price is attributable to products that are taxable and products that are not taxable under this chapter, the portion of the price attributable to the products that are nontaxable are subject to the tax imposed by this chapter unless the retailer can identify by reasonable and verifiable standards the portion that is not subject to tax from its books and records that are kept in the regular course of business, and any discounts applied to the bundle must be attributed to the products that are nontaxable under this chapter.

(c) As used in this section, "bundled transaction" means:

(1) the retail sale of two or more products where the products are otherwise distinct and identifiable, are sold for one nonitemized price, and at least one of the products is or contains cannabis; or

(2) cannabis or a cannabis product that is provided free of charge with the required purchase of another product.

§ 7906. LICENSE

(a) Any retailer required to collect tax imposed by this chapter must apply for and receive a cannabis retail tax license from the Commissioner for each place of business within the State where he or she sells cannabis or cannabis products prior to commencing business. The Commissioner shall issue without charge a license, or licenses, empowering the retailer to collect the cannabis excise tax and cannabis local option tax, where applicable, provided that a retailer's application is properly submitted and the retailer is otherwise in compliance with applicable laws, rules, and provisions.

(b) Each cannabis retail tax license shall state the place of business to which it is applicable and be prominently displayed in the place of business. The licenses shall be nonassignable and nontransferable and shall be surrendered to the Commissioner immediately upon the registrant ceasing to do business in the place named. A cannabis retail tax license shall be separate and in addition to any licenses required by sections 9271 (meals and rooms tax) and 9707 (sales and use tax) of this title.

(c) The Cannabis Control Board may require the Commissioner of Taxes to suspend or revoke the tax licenses issued under this section for any retailer that fails to comply with 7 V.S.A. chapter 33 or any rules adopted by the Board.

§ 7907. APPLICABILITY OF SALES AND USE TAX PROVISIONS

To the extent not inconsistent with this chapter, the provisions for the assessment, collection, enforcement, and appeals of the sales and use tax in chapter 233 of this title shall apply to the taxes imposed by this chapter.

§ 7908. STATUTORY PURPOSES

(a) The statutory purpose of the exemptions for cannabis and cannabis products as defined under 7 V.S.A. § 831 sold by any dispensary as authorized under 7 V.S.A. chapter 37 in subdivisions 7901(d)(2) and 7902(e)(2) of this title is to lower the cost of medical products in order to support the health and welfare of Vermont residents.

(b) The statutory purpose of the exemptions for sales for resale of cannabis and cannabis products as defined under 7 V.S.A. § 831 in subdivisions 7901(d)(3) and 7902(e)(3) of this title is to avoid double taxation.

* * * Sales Tax Exemption * * *

Sec. 15. 32 V.S.A. § 9701(31) is amended to read:

(31) "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional

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value. "Food and food ingredients" does not include alcoholic beverages, tobacco, cannabis as defined under 7 V.S.A. § 831, or soft drinks.

Sec. 16. 32 V.S.A. § 9741(53) is added to read:

(53) Cannabis and cannabis products as defined under 7 V.S.A. § 831.

* * * Tax Expenditure * * *

Sec. 17. 32 V.S.A. § 9706(mm) is added to read:

(mm) The statutory purpose of the exemption for cannabis and cannabis products as defined under 7 V.S.A. § 831 in subdivision 9741(53) of this title is to lower the cost of medical products sold by any dispensary as authorized under 7 V.S.A. chapter 37 in order to support the health and welfare of Vermont residents and avoid double taxation on cannabis and cannabis products that are not sold as a medical product.

* * * Income Tax Deduction * * *

Sec. 18. 32 V.S.A. § 5811 is amended to read:

§ 5811. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context requires otherwise:

* * *

(18) "Vermont net income" means, for any taxable year and for any corporate taxpayer:

(A) the taxable income of the taxpayer for that taxable year under the laws of the United States, without regard to 26 U.S.C. § 168(k) of the Internal Revenue Code, and excluding income which under the laws of the United States is exempt from taxation by the states:

* * *

(ii) decreased by:

(I) the "gross-up of dividends" required by the federal Internal Revenue Code to be taken into taxable income in connection with the taxpayer's election of the foreign tax credit; and

(II) the amount of income which results from the required reduction in salaries and wages expense for corporations claiming the Targeted Job or WIN credits; and

(III) any federal deduction that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis

products as authorized under 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.

* * *

(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:

* * *

(C) Decreased by the following exemptions and deductions:

* * *

(iii) 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; and

(v) any federal deduction that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.

* * *

* * * Miscellaneous Cannabis Provisions * * *

Sec. 19. 18 V.S.A. § 4230a(a)(2)(A) is amended to read:

(2)(A) A person shall not consume marijuana <u>cannabis</u> in a public place. "Public place" means any street, alley, park, sidewalk, public building other than individual dwellings, any place of public accommodation as defined in 9 V.S.A. § 4501, and any place where the use or possession of a lighted tobacco product, tobacco product, or tobacco substitute as defined in 7 V.S.A. § 1001 is prohibited by law has the same meaning as provided by 7 V.S.A. § 831.

Sec. 20. 18 V.S.A. § 4230 is amended to read:

§ 4230. MARIJUANA CANNABIS

* * *

(b) Selling or dispensing.

(1) A person knowingly and unlawfully selling marijuana <u>cannabis</u> or hashish shall be imprisoned not more than two years or fined not more than \$10,000.00, or both.

(2) A person knowingly and unlawfully selling or dispensing more than one ounce of marijuana <u>cannabis</u> or five grams or more of hashish shall be imprisoned not more than five years or fined not more than \$100,000.00, or both.

(3) A person knowingly and unlawfully selling or dispensing one pound or more of marijuana <u>cannabis</u> or 2.8 ounces or more of hashish shall be imprisoned not more than 15 years or fined not more than \$500,000.00, or both.

(4) A person 21 years of age or older may dispense one ounce or less of cannabis or five grams or less of hashish to another person who is 21 years of age or older provided that the dispensing is not advertised or promoted to the public.

* * *

Sec. 21. STATUTORY REVISION AUTHORITY

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Council shall replace "marijuana" with "cannabis" throughout the statutes as needed for consistency with this act, as long as the revisions have no other effect on the meaning of the affected statutes.

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

(a) This section and Secs. 20 (cannabis dispensing) and 21 (statutory revision authority) shall take effect on passage.

(b) The following shall take effect July 1, 2019:

(1) Secs. 1 (Title 7 redesignation), 2 (cannabis chapter), 3 (implementation of the Cannabis Control Board), 4 (implementation of rulemaking by the Cannabis Control Board, 5 (Cannabis Control Board; fees), 6 (creation of Board positions), 6a (space allocation); 7 (cannabis establishments chapter), 8 (implementation of licensing of cannabis establishments), and 19 (public place definition).

(2) In Sec. 9 (Medical Cannabis Registry chapter), 7 V.S.A. § 956 (rulemaking) and in Sec. 12 (Medical Cannabis Dispensaries), 7 V.S.A. § 974 (rulemaking). (c) Secs. 10 (implementation of Medical Cannabis Registry) and 13 (implementation of medical cannabis dispensaries) shall take effect July 1, 2020.

(d) The following shall take effect January 1, 2021:

(1) Sec. 9 (Medical Cannabis Registry chapter), except for 7 V.S.A. § 956 (rulemaking) and Sec. 12 (Medical Cannabis Dispensaries), except for 7 V.S.A. § 974 (rulemaking).

(2) Secs. 11 (Repeal), 14 (creation of excise and local option tax), 15 (sales tax exemption), 16 (tax exemption), 17 (tax expenditure), and 18 (income tax deduction).

And that when so amended the bill ought to pass.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Judiciary with the following amendments as thereto:

<u>First</u>: In Sec. 3 (implementation of the Cannabis Control Board), in subsection (b), by striking out the word "<u>Commission</u>" and inserting in lieu thereof the word <u>Board</u> and in subdivision (c)(1)(B), by striking out the word "<u>Governor</u>" and inserting in lieu thereof the word <u>Treasurer</u>

Second: In Sec. 14, 32 V.S.A. chapter 207 by inserting a new section to read as follows:

§ 7900. DEFINITIONS

As used in this chapter:

(1) "Cannabis" has the same meaning as in 7 V.S.A. § 831.

(2) "Cannabis cultivator" has the same meaning as in 7 V.S.A. § 831.

(3) "Cannabis product" has the same meaning as in 7 V.S.A. § 831.

(4) "Cannabis product manufacturer" has the same meaning as in 7 V.S.A. § 831.

(5) "Cannabis retailer" has the same meaning as in 7 V.S.A. § 831.

(6) "Cannabis wholesaler" has the same meaning as in 7 V.S.A. § 831.

(7) "Retail sale" or "sold at retail" means any sale, lease, or rental for any purpose other than for resale.

(8) "Sales price" has the same meaning as in section 9701 of this title.

<u>Third</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7901 (cannabis excise tax), in subsection (a), by striking out the following: "<u>10 percent</u>" and inserting in lieu thereof the following: <u>16 percent</u> and by striking out the following: ", as

that term is defined in subdivision 9701(4) of this title," and by striking out the following: ", as defined under 7 V.S.A. § 831"

<u>Fourth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7901 (cannabis excise tax), by striking out subdivision (d)(3) (sales for resale exemption) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) sales from a cannabis cultivator, cannabis product manufacturer, or cannabis wholesaler to a cannabis product manufacturer, cannabis retailer, or cannabis wholesaler.

<u>Fifth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7902 (cannabis local option tax), in subsection (a), by striking out the words "<u>not to exceed</u>" and inserting in lieu thereof the word <u>of</u> and by striking out the following: "<u>, as that term is defined in subdivision 9701(4) of this title</u>," and by striking out the following: "<u>, as defined under 7 V.S.A. § 831</u>"

<u>Sixth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7902 (cannabis local option tax), by striking out subdivision (e)(3) (sales for resale exemption) in its entirety and inserting in lieu thereof a new subdivision (3) to read as follows:

(3) sales from a cannabis cultivator, cannabis product manufacturer, or cannabis wholesaler to a cannabis product manufacturer, cannabis retailer, or cannabis wholesaler.

<u>Seventh</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7902 (cannabis local option tax), by striking out subsection (f) (administrative provision) in its entirety and inserting in lieu thereof a new subsection (f) to read as follows:

(f) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing the cannabis excise and cannabis local option taxes imposed under chapter 207 of this title, and provided to the municipality in which they were collected on a quarterly basis after reduction for the costs of administration and collection. A tax imposed under this section shall be collected using a destination basis for taxation. A per-return fee of \$5.96 shall be assessed to compensate the Department for the costs of administration and collection, which shall be paid by the municipality. The fee shall be subject to the provisions of section 605 of this title.

<u>Eighth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7903 (liability for taxes), in subsection (b), by striking out the words "<u>this title</u>" and inserting in lieu thereof the following: <u>the provisions of section 3202 of this title</u>

<u>Ninth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7904 (returns; records), in subsection (a) by striking out the following: "<u>15th day</u>" and inserting in lieu thereof the following: <u>25th day</u> and by striking out the

following: "<u>The Commissioner of Taxes may require that returns be submitted</u> <u>electronically</u>" and inserting in lieu thereof the following: <u>The Commissioner</u> <u>of Taxes may require that returns be submitted electronically and may prohibit</u> <u>the remittance in cash of taxes collected</u>

<u>Tenth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7905 (bundled transactions), in subsection (a), after the following: "<u>selling price of the bundled transaction</u>." by inserting the following: <u>If there is a conflict with the bundling transaction provisions applicable to another tax type, this section shall apply.</u>

<u>Eleventh</u>: In Sec. 14, 32 V.S.A. chapter 207, by striking out § 7907 in its entirety and inserting in lieu thereof a new § 7907 to read as follows:

§ 7907. ADMINISTRATION OF CANNABIS TAXES

(a) The Commissioner of Taxes shall administer and enforce this chapter and the tax. The Commissioner may adopt rules pursuant to 3 V.S.A. chapter 25 to carry out such administration and enforcement.

(b) To the extent not inconsistent with this chapter, the provisions for the assessment, collection, enforcement, and appeals of the sales and use tax in chapter 233 of this title shall apply to the taxes imposed by this chapter.

<u>Twelfth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7908 (statutory purposes), in subsection (a), by striking out the following: "<u>as defined under</u> 7 V.S.A. 831"

<u>Thirteenth</u>: In Sec. 14, 32 V.S.A. chapter 207, in section 7908 (statutory purposes), by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) The statutory purpose of the exemption for non-retail sales in 7901(d)(3) and 7902(e)(3) of this title is to avoid taxation when purchased cannabis or cannabis product is intended to be incorporated into a new cannabis product.

<u>Fourteenth</u>: In Sec. 14, 32 V.S.A. chapter 207, after section 7908, by inserting a new section to be numbered § 7909 to read as follows:

§ 7909. ADDITIONAL TAXES DO NOT APPLY

The cannabis excise tax and cannabis local option tax are the only taxes that apply to a retail sale of cannabis or cannabis product in this State.

<u>Fifteenth</u>: By adding a new section to be numbered Sec. 14a to read as follows:

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Sec. 14a. 32 V.S.A. § 3102(d)(3) is amended to read:

(3) to any person who inquires, provided that the information is limited to whether a person is registered to collect Vermont income withholding, sales and use, Θ meals and rooms, or cannabis excise tax; whether a person is in good standing with respect to the payment of these taxes; whether a person is authorized to buy or sell property free of tax; or whether a person holds a valid license under chapter 205 or 239 of this title or 10 V.S.A. § 1942;

Sixteenth: In Sec. 15, 32 V.S.A. § 9701(31) (food and food ingredients) by striking out the word "cannabis" and inserting in lieu thereof the words cannabis and cannabis products

<u>Seventeenth</u>: In Sec. 17, 32 V.S.A. § 9706(mm) (sales and use tax expenditure) by striking out the words "<u>double taxation on</u>" and inserting in lieu thereof the words <u>having both the sales tax and the cannabis excise and cannabis local option taxes apply to</u>

Eighteenth: By adding a new section to be numbered Sec. 17a to read as follows:

* * * Meals and Rooms Tax * * *

Sec. 17a. 32 V.S.A. § 9202(10) is amended to read:

(10) "Taxable meal" means:

* * *

(D) "Taxable meal" shall not include:

(i) Food or beverage, other than that taxable under subdivision (10)(C) of this section, that is a grocery-type item furnished for take-out: whole pies or cakes, loaves of bread; single-serving bakery items sold in quantities of three or more; delicatessen and nonprepackaged candy sales by weight or measure, except party platters; whole uncooked pizzas; pint or larger closed containers of ice cream or frozen confection; eight ounce or larger containers of salad dressings or sauces; maple syrup; quart or larger containers of cider or milk.

* * *

(iii) Cannabis or cannabis products as defined under 7 V.S.A. § 831.

<u>Nineteenth</u>: By adding a new section to be numbered Sec. 17b to read as follows:

Sec. 17b. 32 V.S.A. § 9201(n) is added to read:

(n) The statutory purpose for the exemption for cannabis and cannabis products as defined under 7 V.S.A. § 831 in subdivision 9202(10)(D)(iii) of this title is to avoid having both the meals and rooms tax and the cannabis excise tax apply to edible cannabis products.

<u>Twentieth</u>: In Sec. 22 (effective dates), in subdivision (d)(2), after the following: "<u>14 (creation of excise and local option tax)</u>," by inserting the following: <u>14a (tax license disclosure)</u>, and after the following: "<u>17 (tax expenditure)</u>," by inserting the following: <u>17a (meals and rooms tax)</u>, <u>17b (meals and rooms tax expenditure)</u>,

And that when so amended the bill ought to pass.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Judiciary with the following amendments as thereto:

<u>First</u>: In Sec. 2 (7 V.S.A. chapter 31), in § 841, by striking out subdivision (c)(1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) The Board shall consist of three members who shall be appointed as follows:

(A) one member to serve as chair who shall be appointed by the Governor and who shall have a background in business management or regulatory compliance;

(B) one member who shall be appointed by the Senate Committee on Committees and who shall have a background in agriculture, horticulture, or plant science; and

(C) one member who shall be appointed by the Speaker of the House and who shall have a background in systemic social justice and equity issues.

<u>Second</u>: In Sec. 2 (7 V.S.A. chapter 31), in \$ 841(c), by striking out subdivision (5) in its entirety.

<u>Third</u>: In Sec. 2 (7 V.S.A. chapter 31), in § 841(e), by striking out the second sentence in its entirety and inserting in lieu thereof the following:

The Chair shall receive compensation equal to two-thirds that of a Superior Court Judge and other members shall receive compensation equal to one-half that of a Superior Court Judge.

<u>Fourth</u>: In Sec. 2 (7 V.S.A. chapter 31), in § 841(f), in the first sentence, after the words "<u>Executive Director</u>" by inserting the words <u>who shall be an</u> <u>attorney with experience in legislative or regulatory matters</u>

<u>Fifth</u>: In Sec. 3 (implementation of the Cannabis Control Board), by striking out subdivision (c)(1) in its entirety and inserting in lieu thereof a new subdivision (c)(1) to read as follows:

(c)(1) In order to stagger the terms of the members of the Board, the initial terms of those members shall be as follows:

(A) the Governor shall appoint the Chair for a three-year term;

(B) the Senate Committee on Committees shall appoint one member for a two-year term; and

(C) the Speaker of the House shall appoint one member for a twoyear term.

<u>Sixth</u>: In Sec. 5 (Cannabis Control Board; fees; report), in subsection (a), after the last sentence, by adding the following:

The fees submitted in accordance with this subsection (a) are projected, at a minimum, to equal the cost of application and license fees for marijuana establishments in the Commonwealth of Massachusetts that are collected by the Cannabis Control Commission. The Board may recommend fees that are lower or higher provided they are designed to provide sufficient funding to meet the duties of the Cannabis Control Board as provided in 7 V.S.A. § 841(b).

<u>Seventh</u>: In Sec. 5 (Cannabis Control Board; fees; report), in subsection (b), by adding a new subdivision (4) to read as follows:

(4) Whether monies expected to be generated by fees identified in subsection (a) of this section are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7901 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.

<u>Eighth</u>: In Sec. 6 (Cannabis Control Board; positions), in subdivision (1), by striking out the word "<u>Five</u>" and inserting in lieu thereof the word <u>Three</u>

<u>Ninth</u>: By adding four new sections to be numbered Secs. 6b–d to read as follows:

Sec. 6b. APPROPRIATION

In fiscal year 2020, \$810,000.00 is appropriated from the Cannabis Regulation Fund to the Cannabis Control Board. This appropriation is made in anticipation of receipts in the fund.

Sec. 6c. CONTINGENT CANNABIS REGULATION FUND DEFICIT OFFSET

To the extent that the Cannabis Regulation Fund has a negative balance at the close of the fiscal year 2022, proceeds in that amount from the tax established 32 V.S.A. § 7901 in fiscal year 2023 shall be deposited into the Cannabis Regulation Fund.

Sec. 6d. AUDITOR OF ACCOUNTS REPORT

On or before April 1, 2023, the Auditor of Accounts shall report to the General Assembly regarding the organizational structure and membership of the Cannabis Control Board and whether the structure continues to be the most efficient for carrying out the statutory duties of the Board.

<u>Tenth</u>: In Sec. 22 (effective dates), in subdivision (b)(1), after "<u>6a (space allocation)</u>," by adding the following: <u>6b (appropriation)</u>, and by adding a new subsection (e) to read as follows:

(e) Secs. 6c and 6d shall take effect on July 1, 2021.

And that when so amended the bill ought to pass.

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

Thereupon, the recommendation of amendment of the Committee on Judiciary, as amended was amended as recommended by the Committee on Appropriations.

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

Thereupon, third reading of the bill was ordered on a roll call, Yeas 23, Nays 5.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, McCormack, Parent, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Brock, Collamore, Mazza, McNeil, Nitka.

Those Senators absent and not voting were: Pearson, Starr.

Bill Amended; Third Reading Ordered

S. 86.

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

An act relating to increasing the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age.

Reported recommending that the bill be amended in Sec. 7, 7 V.S.A. § 661(c), following the words "tobacco products" by inserting the following: , tobacco substitutes, or tobacco paraphernalia

And that when so amended the bill ought to pass.

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

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

Message from the House No. 20

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 proposals of amendment to House bill of the following title:

H. 97. An act relating to fiscal year 2019 budget adjustments.

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

Adjournment

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

FRIDAY, MARCH 1, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 21

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. 140. An act relating to the State Advisory Panel on Special Education.

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

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

H.C.R. 59. House concurrent resolution honoring former Bridport Selectboard member Thomas Carey Howlett for his outstanding community service.

H.C.R. 60. House concurrent resolution honoring Betty Bell of New Haven for her devoted community leadership.

H.C.R. 61. House concurrent resolution in memory of former Representative Richard Cutler Pembroke Sr. of Bennington.

H.C.R. 62. House concurrent resolution honoring firefighter extraordinaire and former Marshfield Moderator Tom Maclay.

H.C.R. 63. House concurrent resolution congratulating Charles Bothfeld of Cabot on his 100th birthday.

H.C.R. 64. House concurrent resolution congratulating Jon Wilbur on achieving a perfect 900 bowling score.

H.C.R. 65. House concurrent resolution honoring Vernon's extraordinary resident historian Barbara Ann Emery Moseley.

H.C.R. 66. House concurrent resolution designating March 13, 2019 as the 25th Early Childhood Day at the State House.

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

Message from the House No. 22

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 concurrent resolution originating in the Senate of the following title:

S.C.R. 5. Senate concurrent resolution honoring Ralph Pace of Ludlow for his community leadership and public service..

And has adopted the same in concurrence.

Message from the Governor Appointments Referred

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

The nomination of

Tebbetts, Anson B. of Marshfield - Secretary of the Agency of Agriculture, Food and Markets - from March 1, 2019 to February 28, 2021.

To the Committee on Agriculture.

The nomination of

Goldstein, Joan of Royalton - Commissioner of the Department of Economic Development - from March 1, 2019 to February 28, 2021.

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

The nomination of

Harrington, Michael of Middlesex - Chair of the Employment Security Board - from March 1, 2019 to February 28, 2025.

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

The nomination of

Keenan, Kathleen of St. Albans - Member of the Employment Security Board - from March 1, 2019 to February 28, 2025.

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

The nomination of

Knight, Gwendolyn of Panton - Commissioner of the Department of Tourism and Marketing - from March 1, 2019 to February 28, 2021.

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

The nomination of

Kurrle, Lindsay H. of Middlesex - Commissioner of the Department of Labor - from March 1, 2019 to February 28, 2021.

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

The nomination of

Schirling, Michael of Burlington - Secretary of the Agency of Commerce and Community Development - from March 1, 2019 to February 28, 2021.

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

The nomination of

Flory, Margaret K. of Rutland - Member of the Vermont State Colleges Board of Trustees - from March 1, 2019 to February 28, 2023.

To the Committee on Education.

The nomination of

French, Daniel M. of Manchester Center - Secretary of the Agency of Education - from March 1, 2019 to February 28, 2021.

To the Committee on Education.

The nomination of

Grinold, Adam of Wilmington - Member of the Vermont State Colleges Board of Trustees - from March 1, 2019 to February 28, 2023.

To the Committee on Education.

The nomination of

Pieciak, Michael of Winooski - Commissioner of the Department of Financial Regulation - from March 1, 2019 to February 28, 2021.

To the Committee on Finance.

The nomination of

Samsom, Kaj of Montpelier - Commissioner of the Department of Taxes - from March 1, 2019 to February 28, 2021.

To the Committee on Finance.

The nomination of

Tierney, June of Randolph - Commissioner of the Department of Public Service - from March 1, 2019 to February 28, 2021.

To the Committee on Finance.

The nomination of

Fastiggi, Mary E. of Burlington - Commissioner of the Department of Human Resources - from March 1, 2019 to February 28, 2021.

To the Committee on Government Operations.

The nomination of

Greshin, Adam of Warren - Commissioner of the Department of Finance and Management - from March 1, 2019 to February 28, 2021.

To the Committee on Government Operations.

The nomination of

Quinn, John J., III, of Northfield - Secretary of the Agency of Digital Services - from March 1, 2019 to February 28, 2021.

To the Committee on Government Operations.

The nomination of

Young, Susanne R. of Northfield - Secretary of the Agency of Administration - from March 1, 2019 to February 28, 2021.

To the Committee on Government Operations.

The nomination of

Cruickshank, Brenda A. of Northfield - Member of the Human Services Board - from February 18, 2019 to February 28, 2023.

To the Committee on Health and Welfare.

The nomination of

Gobeille, Alfred J. of Shelburne - Secretary of the Agency of Human Services - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Gustafson, Cory G. of Montpelier - Commissioner of the Department of Vermont Health Access - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Hutt, Monica C. of Williston - Commissioner of the Department of Disabilities, Aging and Independent Living - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Levine, Mark A. of Shelburne - Commissioner of the Department of Health - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Rosenstreich, Judy P. of Shelburne - Member of the Board of Medical Practice - from February 18, 2019 to December 31, 2023.

To the Committee on Health and Welfare.

The nomination of

Schatz, Kenneth A. of South Burlington - Commissioner of the Department of Children and Families - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Squirrell, Sarah of Waterbury Center - Commissioner of the Department of Mental Health - from March 1, 2019 to February 28, 2021.

To the Committee on Health and Welfare.

The nomination of

Cole, Christopher J. of Richmond - Commissioner of the Department of Buildings and General Services - from March 1, 2019 to February 28, 2021.

To the Committee on Institutions.

The nomination of

Touchette, Michael P. of Colchester - Commissioner of the Department of Corrections - from March 1, 2019 to February 28, 2021.

To the Committee on Institutions.

The nomination of

Boedecker, Emily of Montpelier - Commissioner of the Department of Environmental Conservation - from March 1, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

The nomination of

Moore, Julie S. of Middlesex - Commissioner of the Agency of Natural Resources - from March 1, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

The nomination of

Porter, Louis P. of Calais - Commissioner of the Department of Fish and Wildlife - from March 1, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

The nomination of

Snelling, Diane B. of Hinesburg - Chair of the Natural Resources Board - from March 1, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

The nomination of

Snyder, Michael C. of Stowe - Commissioner of the Department of Forests, Parks and Recreation - from March 1, 2019 to February 28, 2021.

To the Committee on Natural Resources and Energy.

The nomination of

Anderson, Thomas D. of Stowe - Commissioner of the Department of Public Safety - from March 1, 2019 to February 28, 2023.

To the Committee on Transportation.

The nomination of

Dement, Jacquiline of Burlington - Member of the Travel Information Council - from March 1, 2019 to February 28, 2021.

To the Committee on Transportation.

The nomination of

Fishman, Noah of Waterbury Center - Member of the Travel Information Council - from March 1, 2019 to February 28, 2021.

To the Committee on Transportation.

The nomination of

Flynn, Joseph of South Hero - Secretary of the Agency of Transportation - from March 1, 2019 to February 28, 2021.

To the Committee on Transportation.

The nomination of

Minoli, Wanda L. of Montpelier - Commissioner of the Department of Motor Vehicles - from March 1, 2019 to February 28, 2021.

To the Committee on Transportation.

Joint Resolution Placed on Calendar

J.R.S. 17.

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

By Senator Nitka,

J.R.S. 17. Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

Whereas, declarations have been submitted by the following seven Superior Judges that they be retained for another six-year term, Judge William D. Cohen, Judge Robert P. Gerety, Jr., Judge Kevin William Griffin, Judge Samuel Hoar, Jr., Judge Elizabeth D. Mann, Judge Megan J. Shafritz, Judge Timothy B. Tomasi and Judge Thomas A. Zonay and one Magistrate that she be retained for another six year term, Magistrate Alicia Humbert, and

Whereas, the procedures of the Joint Committee on Judicial Retention require at least one public hearing and the review of information provided by each candidate and the comments of members of the Vermont bar and the public, and

Whereas, the Committee was unable to fulfill its responsibilities under subsection 608(b) of Title 4 to evaluate the judicial performance of the candidates seeking to be retained in office by March 14, 2019, the date specified in subsection 608(e) of Title 4, and for a vote in Joint Assembly to be held on March 21, 2019, the date specified in subsection 10(b) of Title 2, and

Whereas, subsection 608(g) of Title 4 permits the General Assembly to defer action on the retention of judges to a subsequent Joint Assembly when the Committee is not able to make a timely recommendation, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the two Houses meet in Joint Assembly on Thursday, March 28, 2019, at ten o'clock and thirty minutes in the forenoon to vote on the retention of eight Superior Judges and one Magistrate. In case the vote to retain said Judges and Magistrate shall not be made on that day, the two Houses shall meet in Joint Assembly at ten o'clock and thirty minutes in the forenoon, on each succeeding day, Saturdays and Sundays excepted, and proceed until the above is completed

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

Bills Introduced

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

S. 139.

By Senator Clarkson,

An act relating to creating the Vermont Private Attorneys General Act.

To the Committee on Judiciary.

S. 140.

By Senator Sirotkin,

An act relating to allowing the Green Mountain Care Board to modify health insurance premiums.

To the Committee on Finance.

S. 141.

By Senators Clarkson, Balint, Hooker and Ingram,

An act relating to nutritional requirements for children's meals.

To the Committee on Health and Welfare.

S. 142.

By Senator Sirotkin,

An act relating to medical payments coverage and motor vehicle liability policies.

To the Committee on Judiciary.

Bills Passed

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

S. 18. An act relating to consumer justice enforcement.

S. 54. An act relating to the regulation of cannabis.

S. 86. An act relating to increasing the legal age for buying and using cigarettes, electronic cigarettes, and other tobacco products from 18 to 21 years of age.

S. 109. An act relating to captive insurance companies and risk retention groups.

Joint Resolution Adopted on the Part of the Senate

J.R.S. 13.

Joint Senate resolution of the following title was read the third time and adopted on the part of the Senate:

Joint resolution authorizing the Commissioner of Forests, Parks and Recreation to amend the Department's lease with the Okemo Limited Liability Company and to authorize a conveyance of Woodchuck Mountain in Newbury as an alternative to the conveyance authorized in 2002 Acts and Resolves No. 149, Sec. 83(a)(3).

Bill Amended; Third Reading Ordered

S. 47.

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

An act relating to the persons authorized to make contributions to candidates and political parties.

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

Sec. 1. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(13) "Political committee" or "political action committee" means any formal or informal committee of two or more individuals or a corporation, labor organization, public interest group, or other entity, not including a political party, that accepts contributions of \$1,000.00 or more and makes expenditures of \$1,000.00 or more in any two-year general election cycle for the purpose of supporting or opposing one or more candidates, influencing an election, or advocating a position on a public question in any election, <u>or any such entity that registers as a political committee pursuant to section 2922 of this chapter prior to reaching those \$1,000.00 thresholds, and includes an independent expenditure-only political committee and a legislative leadership political committee.</u>

* * *

Sec. 2. 17 V.S.A. § 2922 is amended to read:

§ 2922. POLITICAL COMMITTEES; REGISTRATION; CHECKING ACCOUNT; TREASURER

(a)(1)(A) Each political committee shall register with the Secretary of State within 10 days of making expenditures of \$1,000.00 or more and accepting contributions of \$1,000.00 or more stating, and any other political committee may register with the Secretary of State prior to reaching those \$1,000.00 thresholds.

(B) A political committee's name shall include the full name of its connected organization, if applicable, or any clearly recognized abbreviation or acronym by which the connected organization is commonly known.

(C) In its registration, a political committee shall state:

(i) its full name and address;

(ii) the name and address of the bank in which it maintains its campaign checking account; and

(iii) the name and address of the treasurer responsible for maintaining the checking account; and

(iv) if applicable, the full name of its connected organization and any clearly recognized abbreviation or acronym by which the connected organization is commonly known.

(2)(A) In addition to the requirements of subdivision (1) of this subsection, a legislative leadership political committee shall designate in its registration that it is established as a legislative leadership political committee.

(B) The Secretary of State shall provide on his or her website a list of all legislative leadership political committees that have been designated as provided in this subdivision (2).

(b)(1) All expenditures by a political committee shall be paid by either a credit card or a debit card, check, or other electronic transfer from the single campaign checking account in the bank designated by the political committee under subsection (a) of this section, or, if under \$250.00, the political committee may make the expenditure from cash from that campaign checking account if accompanied by a receipt, a copy of which shall be maintained by the political committee for at least two years from the end of the two-year general election cycle in which the expenditure was made.

(2) Nothing in this subsection shall be construed to prohibit the payment of fees required to be made from a separately held online account designated solely to collect campaign contributions made to the political committee.

(c) A political committee whose principal place of business or whose treasurer is not located in this State shall file a statement with the Secretary of State designating a person who resides in this State upon whom may be served any process, notice, or demand required or permitted by law to be served upon the political committee. This statement shall be filed at the same time as the registration required in subsection (a) of this section.

(d) As used in this section, "connected organization" means the formal or informal committee of two or more individuals, corporation, labor organization, public interest group, or other entity that directly or indirectly establishes, administers, or financially supports a political committee. For purposes of this subsection:

(1) "Financially supports" does not include contributions to the political committee, but does include the payment of establishment, administration, and solicitation costs of the political committee; and

(2) Members of a connected organization, such as organizations that or individuals who are members of a trade association, labor organization, or public interest group that is a connected organization, shall not be considered to have directly or indirectly established, administered, or financially supported the connected organization's political committee.

Sec. 3. 17 V.S.A. § 2941 is amended to read:

§ 2941. LIMITATIONS OF CONTRIBUTIONS

(a) In any election cycle:

(1)(A) A candidate for State Representative or for local office shall not accept contributions totaling more than:

(i) \$1,000.00 from a single source; or

(ii) \$1,000.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

(2)(A) A candidate for State Senator or for county office shall not accept contributions totaling more than:

(i) \$1,500.00 from a single source; or

(ii) \$1,500.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

(3)(A) A candidate for the office of Governor, Lieutenant Governor, Secretary of State, State Treasurer, Auditor of Accounts, or Attorney General shall not accept contributions totaling more than:

(i) \$4,000.00 from a single source; or

(ii) \$4,000.00 from a political committee.

(B) Such a candidate may accept unlimited contributions from a political party.

(4) A political committee shall not accept contributions totaling more than:

(A) \$4,000.00 from a single source;

(B) \$4,000.00 from a political committee; or

(C) \$4,000.00 from a political party.

(5) A political party shall not accept contributions totaling more than:

(A) 10,000.00 from a single source;

(B) \$10,000.00 from a political committee; or

(C) \$60,000.00 from a political party.

(6) [Repealed.]

(b) A single source, political committee, or political party shall not contribute more to a candidate, political committee, or political party than the candidate, political committee, or political party is permitted to accept under this section.

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

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

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

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

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

(1) For a candidate described in subdivisions (a)(1)-(3) of this section, an "election cycle" means:

(A) in the case of a general or local election, the period that begins 38 days after the previous general or local election for the office and ends 38 days after the general or local election for the office for which that person is a candidate, and includes any primary or run-off runoff election related to that general or local election; or

(B) in the case of a special election, the period that begins on the date the special election for the office was ordered and ends 38 days after that special election, and includes any special primary or run-off runoff election related to that special election.

(2) For a political committee, political party, or single source described in subdivisions (4)–(6) of subsection (a), an "election cycle" means a two-year general election cycle.

Sec. 4. EFFECTIVE DATE

This act shall take effect on December 11, 2020.

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

An act relating to the persons authorized to make contributions to candidates and political parties and to political committee names.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the bill was ordered on a roll call, Yeas 21, Nays 5.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Perchlik, Pollina, Sirotkin, Westman, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Parent, Rodgers.

Those Senators absent and not voting were: McNeil, Pearson, Sears, Starr.

FRIDAY, MARCH 01, 2019

Senate Concurrent Resolution

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By Senators Nitka, Clarkson and McCormack,

By Rep. Nicoll,

S.C.R. 5.

Senate concurrent resolution honoring Ralph Pace of Ludlow for his community leadership and public service..

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Smith,

By Senators Bray and Hardy,

H.C.R. 59.

House concurrent resolution honoring former Bridport Selectboard member Thomas Carey Howlett for his outstanding community service.

By Rep. Smith,

By Senators Bray and Hardy,

H.C.R. 60.

House concurrent resolution honoring Betty Bell of New Haven for her devoted community leadership.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 61.

House concurrent resolution in memory of former Representative Richard Cutler Pembroke Sr. of Bennington.

By Rep. Ancel,

By Senators Perchlik, Cummings and Pollina,

H.C.R. 62.

House concurrent resolution honoring firefighter extraordinaire and former Marshfield Moderator Tom Maclay.

By Rep. Toll,

By Senators Cummings, Perchlik and Pollina,

H.C.R. 63.

House concurrent resolution congratulating Charles Bothfeld of Cabot on his 100th birthday.

By Reps. Burditt and others,

By Senators Collamore, Hooker and McNeil,

H.C.R. 64.

House concurrent resolution congratulating Jon Wilbur on achieving a perfect 900 bowling score.

By Rep. Coffey,

H.C.R. 65.

House concurrent resolution honoring Vernon's extraordinary resident historian Barbara Ann Emery Moseley.

By Rep. Redmond,

H.C.R. 66.

House concurrent resolution designating March 13, 2019 as the 25th Early Childhood Day at the State House.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, March 12, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 4.

TUESDAY, MARCH 12, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Mark Pitton of Sharon.

Pledge of Allegiance

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

Bills Referred to Committee on Appropriations

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

S. 94. An act relating to expanding Medicaid beneficiaries' access to dental care and establishing the VDent dental assistance program.

S. 96. An act relating to establishing a Clean Water Assessment to fund State water quality programs.

Joint Senate Resolutions Adopted on the Part of the Senate

J.R.S. 18.

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

By Senator Ashe,

J.R.S. 18. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 15, 2019, it be to meet again no later than Tuesday, March 19, 2019.

Bills Introduced

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

S. 143.

By Senators Westman and White,

An act relating to the membership of the Vermont Municipal Employees' System.

To the Committee on Government Operations.

S. 144.

By Senators Westman and Sirotkin,

An act relating to establishing a single tax rate for revenues from the sale of spirits and fortified wines.

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

S. 145.

By Senator Perchlik,

An act relating to addressing racial bias.

To the Committee on Judiciary.

Committee Bill Introduced

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

S. 146.

By the Committee on Health and Welfare,

An act relating to substance misuse prevention.

Bills Introduced

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

S. 147.

By Senator Perchlik,

An act relating to incompatible statewide and legislative offices.

To the Committee on Government Operations.

S. 148.

By Senator Perchlik,

An act relating to an option to vote "None of these candidates" on primary and general election ballots.

To the Committee on Government Operations.

Committee Bill Introduced

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

S. 149.

By the Committee on Transportation,

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

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Bills Introduced

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

S. 150.

By Senator Perchlik,

An act relating to approval for fossil fuel pipelines.

To the Committee on Finance.

S. 151.

By Senators Brock, Benning, Collamore, McNeil, Parent, Starr and Westman,

An act relating to the Twin State Voluntary Family and Medical Leave Insurance Plan.

To the Committee on Government Operations.

S. 152.

By Senator Baruth,

An act relating to collective bargaining.

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

Bill Referred

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

H. 140.

An act relating to the State Advisory Panel on Special Education.

To the Committee on Education.

Bills Amended; Third Readings Ordered

S. 49.

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

An act relating to the regulation of polyfluoroalkyl substances in drinking and surface waters.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following: Sec. 1. FINDINGS

The General Assembly finds that:

(1) Perfluoroalkyl, polyfluoroalkyl substances (PFAS), and other perfluorochemicals are a large group of human-made chemicals that have been used in industry and consumer products worldwide since the 1950s.

(2) PFAS may enter the environment from numerous industrial or commercial sources, including when emitted during a manufacturing process, from the disposal of goods containing PFAS, or from leachate from landfills.

(3) Many PFAS do not break down and persist in the environment for a very long time, especially in water, and, consequently, PFAS can be found in many bodies of water and in the blood of humans and wildlife.

(4) The Vermont Department of Health has adopted a health advisory level for certain PFAS of 20 parts per trillion.

(5) The Vermont Water Supply Rule provides that the Secretary of Natural Resources may adopt a Vermont Department of Health advisory level as a maximum contaminant level for a substance.

(6) The Agency of Natural Resources (ANR) has adopted the 20 parts per trillion level as part of ANR's Remediation of Contaminated Properties Rule and Groundwater Protection Rule and Strategy, but not as part of the Vermont Water Supply Rule or the Vermont Water Quality Standards.

(7) To prevent further contamination of State water, and to reduce the potential harmful effects of PFAS on human health and the environment, the State of Vermont should:

(A) require the Agency of Natural Resources to adopt by rule maximum contaminant level or levels for PFAS under the Vermont Water Supply Rule;

(B) prior to adoption by rule of maximum contaminant level or levels for PFAS, require public water systems to monitor for certain PFAS chemicals and respond appropriately when results indicate levels of PFAS in excess of the Vermont Department of Health advisory level;

(C) require the Agency of Natural Resource to adopt surface water quality standards for certain PFAS chemicals; and

(D) authorize the Agency of Natural Resources to require any permitted facility to monitor for any release of a chemical that exceeds a health advisory issued by the Vermont Department of Health.

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Sec. 2. INTERIM DRINKING WATER STANDARD; TESTING; PER AND POLYFLUOROALKYL SUBSTANCES

(a) As used in this section, "PFAS contaminants" means perfluorooctanoic acid, perfluorooctane sulfonic acid, perfluorohexane sulfonic acid, perfluorononanoic acid, and perfluoroheptanoic acid.

(b) On or before December 1, 2019, all public community water systems and all nontransient noncommunity water systems in the State shall conduct monitoring for the presence of PFAS contaminants in drinking water supplied by the system. Continued monitoring shall be conducted as follows until adoption of the rules required under Sec. 3 of this act:

(1) If monitoring results detect the presence of any PFAS contaminants individually or in combination in excess of the Vermont Department of Health advisory level of 20 parts per trillion, the public water system shall conduct continued quarterly monitoring.

(2) If monitoring results detect the presence of any PFAS contaminants individually or in combination at a level equal to or below the Vermont Department of Health advisory level of 20 parts per trillion, the public water system shall conduct continued monitoring annually.

(3) If monitoring results do not detect the presence of any PFAS contaminants, the public water system shall conduct continued monitoring every two years.

(c) If monitoring results under subsection (b) of this section confirm the presence of any PFAS contaminants individually or in combination in excess of the Vermont Department of Health advisory level of 20 parts per trillion, the Agency of Natural Resources shall direct the public water system to implement treatment or other remedy to reduce the levels of PFAS contaminants in the drinking water of the public water system below the Vermont Department of Health advisory level.

(d) During the period of treatment or implementation of another remedy under this section to reduce the levels of PFAS contaminants in the drinking water of the public water system below the Vermont Department of Health advisory level, the public water system shall provide potable water through other means to all customers or users of the system. The requirement for a public water system to provide potable water to customers and users of the systems through other means shall cease when monitoring results indicate that the levels of PFAS contaminants in the drinking water of the public water system are below the Vermont Department of Health advisory level. (e) The Secretary may enforce the requirements of this section under 10 V.S.A. chapter 201. A person may appeal the acts or decisions of the Secretary of Natural Resources under this section under 10 V.S.A. chapter 220.

Sec 3. DEPARTMENT OF ENVIRONMENTAL CONSERVATION WATER SUPPLY RULE; MAXIMUM CONTAMINANT LEVEL FOR PER AND POLYFLUOROALKYL SUBSTANCES; STANDARD FOR PER AND POLYFLUOROALKYL SUBSTANCES; CLASS OR SUBCLASSES

(a) On or before February 1, 2020, the Secretary of Natural Resources shall file under 3 V.S.A. § 841 a final proposed rule with the Secretary of State and the Legislative Committee on Administrative Rules regarding adoption of the Vermont Department of Health's health advisory level for perfluorooctanoic acid, perfluorooctane sulfonic acid, perfluorohexane sulfonic acid, perfluorononanoic acid, and perfluoroheptanoic acid as a maximum contaminant level (MCL) under the Department of Environmental Conservation's Water Supply rule.

(b) On or before August 1, 2020, the Secretary of Natural Resources shall initiate a public notice and comment process by publishing an advance notice of proposed rulemaking regarding the regulation under the Department of Environmental Conservation's Water Supply Rule of per and polyfluoroalkyl (PFAS) compounds as a class or subclasses.

(c) On or before March 1, 2021, the Secretary of Natural Resources shall either:

(1) file a proposed rule with the Secretary of State regarding the regulation of PFAS compounds under the Department of Environmental Conservation's Water Supply Rule as a class or subclasses; or

(2) publish a notice of decision not to regulate PFAS compounds as a class or subclasses under the Department of Environmental Conservation's Water Supply Rule that includes, at a minimum, an identification of all legal, technical, or other impediments to regulating PFAS compounds as a class or subclasses and a detailed response to all public comments received.

(d) If the Secretary of Natural Resources proposes a rule pursuant to subsection (c), on or before December 31, 2021, the Secretary of Natural Resources shall file a final rule with the Secretary of State regarding the regulation of PFAS compounds as a class or subclasses under the Department of Environmental Conservation's Water Supply Rule.

Sec. 4. REPEAL; INTERIM DRINKING WATER MONITORING; PFAS CONTAMINANTS

Sec. 2 (interim drinking water monitoring; PFAS contaminants) shall be repealed on the effective date of the rules required under Sec. 3(a) of this act.

Sec 5. VERMONT WATER QUALITY STANDARDS; PER AND POLYFLUOROALKYL SUBSTANCES

(a) On or before January 15, 2020, the Secretary of Natural Resources shall publish a plan for public review and comment for adoption of surface water quality standards for per and polyfluoroalkyl substances (PFAS) that shall include, at a minimum, a proposal for standards for:

(1) perfluorooctanoic acid; perfluorooctane sulfonic acid; perfluorohexane sulfonic acid; perfluorononanoic acid; and perfluoroheptanoic acid; and

(2) the PFAS class of compounds or subgroups of the PFAS class of compounds.

(b) On or before January 1, 2022, the Secretary of Natural Resources shall file a final rule with the Secretary of State to adopt surface water quality standards for, at a minimum, perfluorooctanoic acid, perfluorooctane sulfonic acid, perfluorohexane sulfonic acid, perfluorononanoic acid, and perfluoroheptanoic acid.

Sec 6. INVESTIGATION OF POTENTIAL SOURCES OF PER AND POLYFLUOROALKYL SUBSTANCES CONTAMINATION

(a) On or before May 1, 2019, the Secretary of Natural Resources shall publish a plan for public review and comment to complete a statewide investigation of potential sources of per and polyfluoroalkyl substances (PFAS) contamination. As part of this investigation, the Secretary shall conduct a pilot project at public water systems to evaluate PFAS that are not quantified by standard laboratory methods using a total oxidizable precursor assay or other applicable analytical method to evaluate total PFAS. The Secretary of Natural Resources shall initiate implementation of the plan not later than July 1, 2019.

(b) On or before December 1, 2019, all public community water systems and all nontransient noncommunity water systems shall conduct monitoring for the maximum number of PFAS detectable from standard laboratory methods.

Sec 7. 3 V.S.A. § 2810 is added to read:

§ 2810. INTERIM ENVIRONMENTAL MEDIA STANDARDS

The Secretary of Natural Resources may require any entity permitted by the Agency of Natural Resources to monitor the operation of a facility, discharge, emission, or release for any constituent for which the Department of Health has established a health advisory. The Secretary may impose conditions on a permitted entity based on the health advisory if the Secretary determines that the operation of the facility, discharge, emission, or release may result in an imminent and substantial endangerment to human health or the natural environment. The authority granted to the Secretary under this section shall last not longer than two years from the date the health advisory was adopted.

Sec. 8. 10 V.S.A. § 8003 is amended to read:

§ 8003. APPLICABILITY

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

* * *

(28) 30 V.S.A. § 255, relating to regional coordination to reduce greenhouse gases; and

(29) 10 V.S.A. § 1420, relating to abandoned vessels; and

(30) 3 V.S.A. § 2810, relating to interim environmental media standards.

* * *

Sec. 9. 10 V.S.A. § 8503 is amended to read:

§ 8503. APPLICABILITY

(a) This chapter shall govern all appeals of an act or decision of the Secretary, excluding enforcement actions under chapters 201 and 211 of this title and rulemaking, under the following authorities and under the rules adopted under those authorities:

* * *

(2) 29 V.S.A. chapter 11 (management of lakes and ponds).

(3) 24 V.S.A. chapter 61, subchapter 10 (relating to salvage yards).

(4) 3 V.S.A. § 2810 (interim environmental media standards).

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* * *

Sec. 10. ENVIRONMENTAL MEDIA STANDARDS; GUIDANCE; PLAN

(a) On or before January 1, 2020, the Secretary of Natural Resources shall publish a guidance document for public review and comment that sets forth detailed practices for implementation by the Secretary of Natural Resources of interim environmental media standards authority under 3 V.S.A. § 2810.

(b) On or before January 1, 2020, the Secretary of Natural Resources shall publish for public review and comment a plan to collect data for contaminants in drinking water from public community water systems and all nontransient noncommunity water systems for which a health advisory has been established but no maximum contaminant level has been adopted.

Sec. 11. AGENCY OF NATURAL RESOURCES CONTAMINANTS OF EMERGING CONCERN PILOT PROJECT

On or before January 15, 2020, the Agency of Natural Resources shall submit to the House Committees on Natural Resources, Fish, and Wildlife and on Commerce and Economic Development and the Senate Committees on Natural Resources and Energy and on Economic Development, Housing and General Affairs a report regarding the management at landfills of leachate containing contaminants of emerging concern (CECs). The report shall include:

(1) the findings of the leachate treatment evaluation conducted at any landfill in Vermont;

(2) the Agency of Natural Resources' assessment of the results of landfill leachate evaluations; and

(3) the Agency of Natural Resources' recommendations for treatment of CECs in leachate from landfills, including whether the State should establish a pilot project to test methods for testing or managing CECs in landfill leachate.

Sec. 12. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

S. 95.

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

An act relating to municipal utility capital investment.

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

Sec. 1. 24 V.S.A. § 1822 is amended to read:

§ 1822. POWERS; APPROVAL OF VOTERS

(a) In addition to the powers it may now or hereafter have, a municipal corporation otherwise authorized to own, acquire, improve, control, operate, or manage a public utility or project and to issue bonds pursuant to this subchapter, may also, by action of its legislative branch, exercise any of the following powers:

(1) to borrow money and issue bonds for the purposes of acquiring, improving, maintaining, financing, controlling, or operating the public utility or project, or for the purpose of selling, furnishing, or distributing the services, facilities, products, or commodities of such utility or project;

(2) to enter into contracts in connection with the issuance of bonds for any of the purposes enumerated in subdivision (1) of this subsection;

(3) to purchase, hold, and dispose of any of its bonds;

(4) to pledge or assign all or part of any net revenues of the public utility or project, to provide for or to secure the payment of the principal of and the interest on bonds issued in connection with such public utility or project;

(5) to do any and all things necessary or prudent to carry out the powers expressly granted or necessarily implied in this subchapter, including without limitation those powers enumerated in section 1824 of this title.

(b)(1) The bonds authorized under this section shall be in such form, shall contain such provisions, and shall be executed as may be determined by the legislative branch of the municipal corporation, but shall not be executed, issued, or made, and shall not be valid and binding, unless and until at least a majority of the legal voters of such municipal corporation present and voting at a duly warned annual or special meeting called for that purpose shall have first voted to authorize the same.

(2) The warning calling such a meeting shall state the purpose for which it is proposed to issue bonds, the estimated cost of the project, the amount of bonds proposed to be issued under this subchapter therefor, that such bonds are to be payable solely from net revenues, and shall fix the place where and the date on which such meetings shall be held and the hours of opening and closing the polls. (3) The notice of the meeting shall be published and posted as provided in section 1756 of this title.

(4) When a majority of all the voters voting on the question at such meeting vote to authorize the issuance of bonds under this subchapter to pay for such project, the legislative body shall be authorized to issue bonds or enter into contracts, pledges, and assignments as provided in this subchapter.

(5) Sections 1757 and 1758 of this title shall apply to the proceedings taken hereunder, except that the form of ballot to be used shall be substantially as follows:

Shall bonds of the (name of municipality) to the amount of \$______be issued under subchapter 2 of chapter 53 of Title 24, Vermont Statutes Annotated, payable only from net revenues derived from the (type) public utility system, for the purpose of paying for the following public utility project?

If in favor of the bond issue, make a cross (x) in this square \Box .

If opposed to the bond issue, make a cross (x) in this square \Box .

(c) The bonds authorized by this subchapter shall be sold at par, premium, or discount by negotiated sale, competitive bid, or to the Vermont Municipal Bond Bank.

(d) Notwithstanding the provisions of subsection (b) of this section, the legislative branch of a municipal corporation owning a municipal plant as defined in 30 V.S.A. § 2901 may authorize by resolution the issuance of bonds in an amount not to exceed 50 percent of the total assets of said municipal plant without the need for voter approval. Nothing in this subsection shall be interpreted as eliminating the requirement for approval from the Public Utility Commission pursuant to 30 V.S.A. § 108, where applicable.

Sec. 2. 30 V.S.A. § 108 is amended to read:

§ 108. ISSUE OF BONDS OR OTHER SECURITIES

* * *

(b) The provisions of this section shall not apply to <u>the Vermont Public</u> <u>Power Supply Authority or to</u> a public utility which <u>that</u> meets each and all of the following four conditions:

(1) is incorporated in some state other than Vermont;

(2) is conducting an interstate and intrastate telephone business which that is subject to regulation by the Federal Communications Commission in some respects;

(3) is conducting telephone operations in four or more states; and

(4) has less than 10 percent of its total investment in property used or useful in rendering service located within this State to the extent that such public utility may issue stock, bonds, notes, debentures, or other evidences of indebtedness not directly or indirectly constituting or creating a lien on any property used or useful in rendering service which that is located within this State.

(c)(1) A municipality shall not issue bonds or notes or pledge its net revenues under 24 V.S.A. chapter 53, respecting the ownership or operation of a gas or electric utility, unless the Public Utility Commission first finds, upon petition of the municipality and after notice and an opportunity for hearing, that the proposed action will be consistent with the general good of the State.

(2) If the Public Utility Commission does not issue its ruling within 90 days of the filing of the petition, as may be extended by consent of the municipality, the issuance of the proposed bonds or notes or pledge of net revenues shall be deemed to be consistent with the general good of the State.

(3) If the Public Utility Commission issues a ruling in accordance with subdivision (1) of this subsection, or does not rule within the period specified in subdivision (2) of this subsection, a municipality must subsequently obtain also have obtained voter approval in accordance with 24 V.S.A. chapter 53, if required, prior to issuing bonds or notes or pledging its net revenues.

(d) Notwithstanding the provisions of subsection (c) of this section, a municipality may:

(1) issue bonds or notes or pledge its net revenues payable within three years from the date of issue without such consent, provided such borrowing is necessary in an emergency to restore service immediately after damage by disaster; or

(2) issue bonds or notes or pledge its net revenues payable within one year of the date of issuance without the consent otherwise required by this subdivision, provided its total bonds, notes, or evidences of indebtedness so payable within one year do not exceed 20 percent of its total assets; or

(3) issue bonds or notes without the consent otherwise required by this subdivision, provided:

(A) the amount of the issuance plus the amount of any bond or note issuances during the previous 12 calendar months does not exceed 20 percent of the municipality's total assets; and (B) after the proposed issuance, the total amount of the municipality's outstanding bonds, notes, or evidences of indebtedness would not exceed 50 percent of its total assets.

Sec. 3. 30 V.S.A. § 5031(a)(4) is amended to read:

(4) Bonds and notes may be issued in accordance with this chapter, subject to without the need to obtain the consent and approval of the Public Utility Commission as provided in this title.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

Joint Resolution Adopted on the Part of the Senate

J.R.S. 17.

Joint Senate resolution entitled:

Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

Having been placed on the Calendar for action, was taken up and adopted on the part of the Senate.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 13, 2019.

WEDNESDAY, MARCH 13, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend John H. D. Lucy of Jericho.

Message from the House No. 23

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. 73. An act relating to approval of amendments to the charter of the City of Barre.

H. 275. An act relating to the Farm-to-Plate Investment Program.

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

Committee Relieved of Further Consideration; Bill Committed

S. 96.

On motion of Senator Ashe, the rules were suspended and the Committee on Appropriations was relieved of further consideration of Senate bill entitled:

An act relating to establishing a Clean Water Assessment to fund State water quality programs,

and the bill was committed to the Committee on Finance with the report of the Committee on Natural Resources and Energy, *intact*.

Bill Referred to Committee on Appropriations

S. 146.

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

An act relating to substance misuse prevention.

Bill Referred to Committee on Finance

S. 149.

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

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

Bill Introduced

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

S. 153.

By Senators Sears, Balint, Campion and White,

An act relating to creating the Vermont 250th Commission.

To the Committee on Government Operations.

Bills Referred

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

H. 73.

An act relating to approval of amendments to the charter of the City of Barre.

To the Committee on Government Operations.

Н. 275.

An act relating to the Farm-to-Plate Investment Program.

To the Committee on Agriculture.

Bills Passed

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

S. 47. An act relating to the persons authorized to make contributions to candidates and political parties.

S. 95. An act relating to municipal utility capital investment.

Bill Passed

S. 49.

Senate bill of the following title:

An act relating to the regulation of polyfluoroalkyl substances in drinking and surface waters.

Was read the third time and passed on a roll call, Yeas 29, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Westman.

Third Reading Ordered

S. 65.

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

An act relating to banning baby bumper pads.

Reported that the bill ought to pass.

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

Bills Amended; Third Readings Ordered

S. 37.

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

An act relating to medical monitoring damages.

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

* * * Strict Liability; Toxic Substance Release * * *

Sec. 1. 10 V.S.A. chapter 159, subchapter 5 is added to read:

Subchapter 5. Strict Liability for Toxic Substance Release

§ 6685. DEFINITIONS

As used in this subchapter:

(1) "Establishment" means any premises used for the purpose of carrying on or exercising any trade, business, profession, vocation, commercial or charitable activity, or governmental function.

(2) "Facility" means all contiguous land, structures, other appurtenances, and improvements on the land where toxic substances are manufactured, processed, used, or stored. A facility may consist of several treatment, storage, or disposal operational units. A facility shall not include land, structures, other appurtenances, and improvements on the land owned by a municipality.

(3) "Harm" means any personal injury or property damage.

(4) "Large facility" means a facility:

(A) where 10 or more full-time employees have been employed at any one time; or

(B)(i) where an activity within the Standard Industrial Classification code of 20 through 39 is conducted or was conducted; and

(ii) that is owned or operated by a person who, when all facilities or establishments that the person owns or controls are aggregated, has employed 500 employees at any one time.

(5) "Person" means any individual; partnership; company; corporation; association; unincorporated association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; federal agency; or any other legal or commercial entity.

(6) "Release" means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located.

(7)(A) "Toxic substance" means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a "hazardous material" under section 6602 of this title or under rules adopted under this chapter;

(iii) testing has produced evidence, recognized by the National Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound;

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under this chapter; or

(vi) the substance can be shown by expert testimony to cause harm.

(B) "Toxic substance" shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

§ 6686. LIABILITY FOR RELEASE OF TOXIC SUBSTANCES

(a) Any person who releases a toxic substance from a large facility shall be held strictly, jointly, and severally liable for any harm resulting from the release.

(b) Any person held liable under subsection (a) of this section shall have the right to seek contribution from the manufacturer of the toxic substance that was released.

(c) Nothing in this section shall be construed to supersede or diminish in any way existing remedies available to a person or the State at common law or under statute.

Sec. 2. REPEAL; STRICT LIABILITY FOR TOXIC SUBSTANCE RELEASE

<u>10 V.S.A. chapter 159, subchapter 5 (strict liability for toxic substance releases) shall be repealed on July 1, 2024.</u>

Sec. 3. DEPARTMENT OF FINANCIAL REGULATION; REPORT ON INSURANCE POLICY PRICING AND AVAILABILITY

(a) The Commissioner of Financial Regulation shall monitor how the imposition of strict liability for toxic substance releases pursuant to 10 V.S.A. chapter 159, subchapter 5 affects the pricing and availability of commercial general liability insurance policies, residential homeowner's insurance policies, and other insurance policies in the State. The Commissioner of Financial Regulation shall evaluate whether:

(1) insurance policies in the State are more expensive or less available due to the strict liability provisions of 10 V.S.A. chapter 159, subchapter 5; and

(2) the insurance market in the State is negatively affected in comparison to the national market solely due to the strict liability provisions of 10 V.S.A. chapter 159, subchapter 5.

(b) On or before January 15, 2020, and annually thereafter, the Commissioner of Financial Regulation shall report to the Senate Committee on

Finance and the House Committee on Commerce and Economic Development the results of its evaluation under subsection (a) of this section.

* * * Medical Monitoring * * *

Sec. 4. 12 V.S.A. chapter 219 is added to read:

CHAPTER 219. MEDICAL MONITORING

§ 7201. DEFINITIONS

As used in this chapter:

(1) "Disease" means any disease, illness, ailment, or adverse physiological or chemical change linked with exposure to a toxic substance.

(2) "Establishment" means any premises used for the purpose of carrying on or exercising any trade, business, profession, vocation, commercial or charitable activity, or governmental function.

(3) "Exposure" means ingestion, inhalation, contact with the skin or eyes, or any other physical contact.

(4) "Facility" means all contiguous land, structures, other appurtenances, and improvements on the land where toxic substances are manufactured, processed, used, or stored. A facility may consist of several treatment, storage, or disposal operational units. A facility shall not include land, structures, other appurtenances, and improvements on the land owned by a municipality.

(5) "Large facility" means a facility:

(A) where 10 or more full-time employees have been employed at any one time; or

(B)(i) where an activity within the Standard Industrial Classification code of 20 through 39 is conducted or was conducted; and

(ii) that is owned or operated by a person who, when all facilities or establishments that the person owns or controls are aggregated, has employed 500 employees at any one time.

(6) "Medical monitoring" means a program of medical surveillance, including medical tests or procedures for the purpose of early detection of signs or symptoms of latent disease resulting from exposure.

(7) "Person" means any individual; partnership; company; corporation; association; unincorporated association; joint venture; trust; municipality; the State of Vermont or any agency, department, or subdivision of the State; federal agency; or any other legal or commercial entity.

(8) "Release" means any intentional or unintentional, permitted or unpermitted, act or omission that allows a toxic substance to enter the air, land, surface water, groundwater, or any other place where the toxic substance may be located.

(9)(A) "Toxic substance" means any substance, mixture, or compound that has the capacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption through any body surface and that satisfies one or more of the following:

(i) the substance, mixture, or compound is listed on the U.S. Environmental Protection Agency Consolidated List of Chemicals Subject to the Emergency Planning and Community Right-To-Know Act, Comprehensive Environmental Response, Compensation and Liability Act, and Section 112(r) of the Clean Air Act;

(ii) the substance, mixture, or compound is defined as a "hazardous material" under 10 V.S.A. § 6602 or under rules adopted under 10 V.S.A. chapter 159;

(iii) testing has produced evidence, recognized by the National Institute for Occupational Safety and Health or the U.S. Environmental Protection Agency, that the substance, mixture, or compound poses acute or chronic health hazards;

(iv) the Department of Health has issued a public health advisory for the substance, mixture, or compound; or

(v) the Secretary of Natural Resources has designated the substance, mixture, or compound as a hazardous waste under 10 V.S.A. chapter 159; or

(vi) exposure to the substance can be shown by expert testimony to increase the risk of developing a latent disease.

(B) "Toxic substance" shall not mean:

(i) a pesticide regulated by the Secretary of Agriculture, Food and Markets; or

(ii) ammunition or components thereof, firearms, air rifles, discharge of firearms or air rifles, or hunting or fishing equipment or components thereof.

<u>§ 7202. MEDICAL MONITORING FOR EXPOSURE TO TOXIC</u> <u>SUBSTANCES</u>

(a) A person with or without a present injury or disease shall have a cause of action for the remedy of medical monitoring against a person who released

<u>a toxic substance from a large facility if all of the following are demonstrated</u> by a preponderance of the evidence:

(1) The person was exposed to the toxic substance as a result of tortious conduct by the person who released the toxic substance.

(2) There is a probable link between exposure to the toxic substance and a latent disease.

(3) The person's exposure to the toxic substance increases the risk of developing a latent disease. A person does not need to prove that the latent disease is certain or likely to develop as a result of the exposure.

(4) Diagnostic testing is reasonably necessary. Testing is reasonably necessary if a physician would recommend testing for the purpose of detecting or monitoring the latent disease based on the person's exposure.

(5) Medical tests or procedures exist to detect the latent disease.

(b) A person's present or past health status shall not be an issue in a claim for medical monitoring.

(c) If medical monitoring is awarded, a court shall order the liable person to fund a court-supervised medical monitoring program administered by one or more health professional.

(d) Upon an award of medical monitoring under subsection (c), the court shall award to the plaintiff reasonable attorney's fees and other litigation costs reasonably incurred.

(e) Nothing in this chapter shall be deemed to preclude the pursuit of any other civil or injunctive remedy available under statute or common law, including the right of any person to recover for damages related to the manifestation of a latent disease. The remedies in this chapter are in addition to those provided by existing statutory or common law.

(f) This section does not preclude a court from certifying a class action for the remedy of medical monitoring.

* * * Effective Date * * *

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that after passage the bill be amended to read:

An act relating to medical monitoring.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to on a roll call, Yeas 21, Nays 8.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Brock, Collamore, Kitchel, Mazza, McNeil, Nitka, Parent, Starr.

The Senator absent and not voting was: Westman.

Thereupon, third reading of the bill was ordered on a roll call, Yeas 21, Nays 8.

Senator Parent 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, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Brock, Collamore, Kitchel, Mazza, McNeil, Nitka, Parent, Starr.

The Senator absent and not voting was: Westman.

S. 41.

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

An act relating to regulating entities that administer health reimbursement arrangements.

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

Sec. 1. 18 V.S.A. § 9417 is added to read:

§ 9417. TAX-ADVANTAGED ACCOUNTS FOR HEALTH EXPENSES; ADMINISTRATION; RULEMAKING

(a) As used in this section:

(1) "Flexible spending account" or "FSA" has the same meaning as in 26 U.S.C. \$ 106(c)(2).

(2) "Health reimbursement arrangement" or "HRA" means any accountbased reimbursement arrangement funded solely by employer contributions that reimburses an employee, spouse, or dependents, or a combination thereof, for medical care expenses incurred by the employee, spouse, dependents, or a combination thereof, up to a maximum coverage amount set by the employer for a given coverage period, and that is established pursuant to 26 U.S.C. §§ 105–106 and applicable guidance from the Internal Revenue Service.

(3) "Health savings account" or "HSA" has the same meaning as in 26 U.S.C. § 223(d)(1).

(b) Any entity administering one or more HRAs, HSAs, or FSAs, or a combination of these, in this State is providing financial services to Vermont residents and is subject to the jurisdiction of the Commissioner of Financial Regulation pursuant to 8 V.S.A. § 10 and all other applicable provisions.

(c) The Commissioner of Financial Regulation shall adopt rules pursuant to 3 V.S.A. chapter 25 to license and regulate, to the extent permitted under federal law, entities administering or proposing to administer one or more HRAs, HSAs, or FSAs, or a combination of these, in this State. The rules may include:

(1) annual licensure or registration filing requirements; and

(2) such requirements and qualifications for such entities as the Commissioner determines are appropriate, which may include:

(A) bonding, surplus, reserves, or a combination thereof;

(B) information security and confidentiality; and

(C) examination and enforcement.

(d) Following the adoption of rules pursuant to subsection (c) of this section, an entity making an initial application for a license or registration to administer HRAs, HSAs, or FSAs, or a combination of these, in this State shall pay to the Commissioner a nonrefundable fee of \$600.00 for examining, investigating, and processing the application. Each such entity shall also pay a renewal fee of \$600.00 on or before December 31 every three years following initial licensure.

Sec. 2. RULEMAKING; REPORT

On or before February 15, 2020, the Commissioner of Financial Regulation shall provide an update to the Senate Committee on Finance and the House Committees on Health Care and on Commerce and Economic Development on the progress of the rulemaking required by Sec. 1 of this act, including any findings related to the permissible scope of the rule.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage, provided that the Department of Financial Regulation shall adopt its final rule on or before September 1, 2020 regulating entities that administer HRAs, HSAs, or FSAs, or a combination of these.

And that when so amended the bill ought to pass.

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

S. 133.

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

An act relating to juvenile jurisdiction.

Reported recommending that the bill be amended as follows:

<u>First</u>: In Sec. 3, 33 V.S.A. § 5201, in subsection (c), by striking out the word "<u>delinquency</u>" and inserting in lieu thereof the words <u>youthful offender</u>

<u>Second</u>: In Sec. 9, 3 V.S.A. § 164 in subdivision (e)(1)(B)(i)(I), by striking out the words "<u>an outcome of substance dependence</u>" and inserting in lieu thereof the words <u>associated with a substance abuse disorder</u>

And that when so amended the bill ought to pass.

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

Message from the House No. 24

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. 327. An act relating to automatic renewal contract provisions.

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

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

J.R.S. 18. Joint resolution relating to weekend adjournment. And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Thursday, March 14, 2019.

THURSDAY, MARCH 14, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Sally May of Mallets Bay.

Message from the Governor Appointments Referred

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

The nomination of

Richardson, Thaddeus of Lyndon - Member of the Vermont Economic Progress Council - from April 1, 2019 to March 31, 2023.

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

The nomination of

Davis, John of South Burlington - Chair of the Vermont Economic Progress Council - from April 1, 2019 to March 31, 2023.

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

The nomination of

Russell, John of Rutland - Member of the Vermont Economic Progress Council - from April 1, 2019 to March 31, 2023.

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

The nomination of

Ozarowski, Peter of South Burlington - Member of the Parole Board - from March 1, 2019 to February 28, 2022.

To the Committee on Institutions.

The nomination of

Dengler, Wayne of Saxtons River - Member of the Parole Board - from March 1, 2019 to February 28, 2022.

To the Committee on Institutions.

The nomination of

Roberto, Lynn of Springfield - Aternate Member of the Parole Board - from March 1, 2019 to February 28, 2022.

To the Committee on Institutions.

The nomination of

Bailey, Brian of Barre - Member of the Fish and Wildlife Board - from March 1, 2019 to February 28, 2025.

To the Committee on Natural Resources and Energy.

The nomination of

Bancroft, Michael of West Topsham - Member of the Fish and Wildlife Board - from March 1, 2019 to February 28, 2025.

To the Committee on Natural Resources and Energy.

The nomination of

Sweeny, Jay of St. Albans - Member of the Fish and Wildlife Board - from April 1, 2019 to February 28, 2025.

To the Committee on Natural Resources and Energy.

Bills Introduced

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

S. 154.

By Senator Cummings,

An act relating to miscellaneous banking provisions.

To the Committee on Finance.

S. 155.

By Senators Rodgers and Parent,

An act relating to possession of large capacity ammunition feeding devices by out-of-state law enforcement officers.

To the Committee on Judiciary.

Bill Referred

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

H. 327.

An act relating to automatic renewal contract provisions.

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

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

H. 97.

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

An act relating to fiscal year 2019 budget adjustments.

Were taken up.

The House concurs in the Senate proposal of amendment with further amendment as follows:

<u>First</u>: By striking out Sec. 47 in its entirety and inserting in lieu thereof a new Sec. 47 to read as follows:

Sec. 47. [Deleted.]

<u>Second</u>: By striking out Sec. 49 in its entirety and inserting in lieu thereof a new Sec. 49 to read as follows:

Sec. 49. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. B.813 is amended to read:

Sec. B.813 Total commerce and community development

Source of funds		
General fund	15,902,584	15,932,584
Special funds	18,557,328	18,557,328
Federal funds	25,950,869	25,950,869
Interdepartmental transfers	110,751	110,751

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Enterprise funds	650,605	650,605
Total	61,172,137	61,202,137

<u>Third</u>: In Sec. 56, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) The following General Fund amount shall be reserved for appropriation or transfer in the fiscal year 2020 budget: \$12,350,000.

<u>Fourth</u>: In Sec. 60, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) It is the public policy of the State of Vermont to move to a continuum of mental health care that is fully integrated within the health care system. In recognition that Institutions for Mental Disease (IMDs) are an essential part of the current continuum of care, the Secretary of Human Services may seek approval from the Centers for Medicare and Medicaid Services to amend Vermont's Global Commitment to Health Section 1115 waiver as it relates to receiving expenditure authority for the treatment of serious mental illness provided to Medicaid beneficiaries.

<u>Fifth</u>: By striking out Sec. 73 in its entirety and inserting in lieu thereof a new Sec. 73 to read as follows:

Sec. 73. 32 V.S.A. § 10402 is amended to read:

§ 10402. HEALTH CARE CLAIMS TAX

(a) There is imposed on every health insurer an annual tax in an amount equal to $0.999 \ 0.8$ of one percent of all health insurance claims paid by the health insurer for its Vermont members in the previous fiscal year ending June 30. The annual fee shall be paid to the Commissioner of Taxes in one installment due by on or before January 1.

(b) Revenues paid and collected under this chapter shall be deposited as follows: into the General Fund.

(1) 0.199 of one percent of all health insurance claims into the Health IT-Fund established in section 10301 of this title; and

(2) 0.8 of one percent of all health insurance claims into the General Fund.

(c) The annual cost to obtain Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) data, pursuant to 18 V.S.A. § 9410, for use by the Department of Taxes shall be paid from the Vermont Health IT-Fund and the General Fund in the same proportion as revenues are deposited into those Funds.

* * *

<u>Sixth</u>: In Sec. 88, by striking out subdivisions (a)(2) and (a)(3) in their entirety and by striking out subdivision (a)(6)(A) in its entirety and inserting in lieu thereof a new subdivision (a)(6)(A) to read as follows:

(A) \$250,000 to be reserved to fund contracted services for research and findings to identify and examine the factors contributing to Vermont's high rate of children entering the custody of the State. Such research shall study the preventive and upstream services and interventions provided to families and the extent to which these supports to families have demonstrated effectiveness in allowing children to remain with their families. Policy recommendations resulting from this research is intended to inform funding decisions regarding these services to ensure the safety of Vermont's vulnerable children and to enhance the long-term stability and well-being of these families.

and at the end of subdivision (a)(6)(B) by adding a new sentence to read as follows: <u>The report shall be submitted to the General Assembly on or before</u> December 15, 2019.

and by renumbering the subdivisions to be numerically correct

<u>Seventh</u>: In Sec. 91, by striking out subdivision (b)(1)(D) in its entirety and inserting in lieu thereof a new subdivision (b)(1)(D) to read as follows:

(D) \$700,000 allocated in fiscal year 2019 and carried forward to fiscal year 2020 pending submission of a proposal. The CHINS workgroup shall continue its evaluation of strategic reforms to the CHINS system and may submit a proposal to the General Assembly for approval. The proposal shall have a budget and proposed method of evaluation.

<u>Eighth</u>: By striking out Sec. 93 in its entire and inserting in lieu thereof a new Sec. 93 to read as follows:

Sec. 93. VIDEO RECORDS RETENTION POLICY RECOMMENDATIONS

(a) On or before March 15, 2019, the Commissioner of Public Safety shall report to the House and Senate Committees on Judiciary and on Appropriations on the status of record schedules, as defined in 3 V.S.A. § 117(a)(6), that have been approved by the State Archivist and on the status of internal proposed video records management retention policies for the Vermont State Police and Vermont law enforcement agencies that apply to dash-mounted or body-mounted camera video. The report shall include any proposed changes to the record schedules and policies, including recommendations for whether policies should be adopted or changed with respect to:

(1) the retention period for storage of such video;

(2) the process for determining when a particular case or incident warrants retaining video records for longer than the standard schedule;

(3) the manner in which the public shall be notified and kept informed about record schedules; and

(4) the budget and estimated costs for the storage of video records with a cloud-based service, including a comparison of the costs of cloud-based storage and the existing on-site physical storage, and whether cloud-based storage creates greater efficiencies in the overall management of video records.

(b) The Commissioner shall consult with the Vermont State Archives and Records Administration (VSARA) and the Agency of Digital Services for purposes of making the proposals required by subsection (a) of this section.

(c) On or before April 15, 2019, the Commissioner of Public Safety shall report the final proposed record schedules and management policies to the House and Senate Committees on Judiciary and on Appropriations.

<u>Ninth</u>: In Sec. 94, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Given the loss of federal matching funds for the Woodside facility, on or before April 15, 2019 the Secretary of Human Services and the Commissioner for Children and Families, in consultation with the Joint Fiscal Office, shall submit a plan to the House and Senate Committees on Judiciary and on Appropriations related to the continuation of operations beyond July 1, 2019 limited only to short-term placements of delinquent youths. Any plan should be consistent with legislative intent related to loss of federal funding expressed in 2017 Acts and Resolves No. 85, Sec. E.327. Any plan should also consider the role of Woodside in the system of care and evaluate the current need and other treatment options for youths in Vermont and out-ofstate.

<u>Tenth</u>: In Sec. 101, in subsection (a), by inserting five new subdivisions to be numbered (5) through (9) to read as follows:

(5) JFO #2950 - One (1) limited-service position within the Vermont Department of Environmental Conservation. The position would be titled Environmental Analyst V and would provide engineering support within the wastewater system and potable water supply program to review permit application through the Department of Environmental Conservation's five regional offices. The position would be funded with approximately \$95,000 annually through a federal award from the Drinking Water State Revolving Fund. The Department is seeking authorization for the position for two years from the date of authorization.

(6) JFO #2951 - One (1) limited-service position within the Vermont Agency of Agriculture, Food and Markets. The position would be titled Agricultural Water Quality Specialist II and would provide additional capacity for the Agency to perform its commitments to the U.S. Environmental Protection Agency (EPA) under the Lake Champlain Total Maximum Daily Load (TMDL). Specifically, this position would support the Conservation Reserve Enhancement Program, which is a program that compensates agricultural landowners for taking land out of production for a period of time and also provides cost-share for the establishment of vegetative buffers between agricultural land and waterways. The position would be funded from two sources: 1) a sub-grant from the Agency of Natural Resources that will leverage 2) grant funding from the U.S. Dept. of Agriculture.

(7) JFO #2952 - One (1) limited-service position within the Vermont Agency of Agriculture, Food and Markets. The position would be titled Agricultural Engineer I and would provide additional capacity for the Agency to perform its commitments to the U.S. Environmental Protection Agency (EPA) under the Lake Champlain Total Maximum Daily Load (TMDL). Specifically, this position would support the agricultural best management practices (BMP) program and the environmental quality incentives program. The position would provide engineering and hydrogeology assistance with agricultural waste management systems, environmental monitoring and other projects aimed at reducing environmental contamination from agricultural operations. The position would be funded by a sub-grant of federal funds from the Agency of Natural Resources.

(8) JFO #2953 - \$199,160 from the U.S. Dept. of Justice to the Vermont Department of Corrections. The funds would be used to develop a strategic plan for a system-wide approach to enhance employment outcomes of offenders who are reentering the workforce. The effort would be focused on student assessments and increasing capacity within the culinary program in the corrections kitchen. Funds would be distributed between two personal service contracts, a workforce skills certification system, a pro-start culinary trainer certification, and other supplies/packages. The planning effort would be completed through the remainder of State fiscal year 2019 and part of fiscal year 2020.

(9) JFO #2954 - \$2,295,876 from the U.S. Dept. of Labor to the Vermont Department of Labor. The funding is being provided through Phase I of the Retaining Employment and Talent After Injury/Illness Network (RETAIN) demonstration project. The overall project would be focused on developing early intervention strategies to improve stay-at-work/return-towork (SAW/RTW) outcomes for individuals who experience a work disability while employed. One (1) limited-service position, titled Grant Manager, is associated with this request. Phase I, which is estimated to last for 18 months, would be focused on project development, while phase II would focus on broader implementation and funding for phase II would be awarded based on the outcomes of phase I. The project would be 100 percent federally funded.

<u>Eleventh</u>: In Sec. 103, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) The Department of Mental Health shall explore solutions to improve therapeutic care and supports for patients in emergency departments that includes the study of security protocols in emergency departments to ensure the safety of patients and hospital staff and compliance with federal regulations in consultation with:

(1) the Vermont Association of Hospitals and Health Systems;

(2) DAIL – Licensing and Protection;

(3) Vermont Care Partners;

(4) the Department of State's Attorneys and Sheriffs; and

(5) an individual who provides peer support services in an emergency department, appointed by Vermont Psychiatric Survivors.

<u>Twelfth</u>: By adding a new section to be numbered Sec. 104 to read as follows:

Sec. 104. JUDICIARY; FEDERAL TITLE IV-D FUNDS

(a) Any general funds added to the Judiciary to compensate for errors in billing for eligible federal Title IV-D funds that are greater than the actual lost funds resulting from the errors shall be carried forward to offset Title IV-D funding impacts in the fiscal year 2020 Judiciary budget.

And by renumbering the remaining sections to be numerically correct.

Thereupon, pending the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, Senators Kitchel, Nitka, Sears, Starr, McCormack, Westman and Ashe moved that the Senate concur in the House proposals of amendment to the Senate proposal of amendment with the following proposals of amendment:

<u>First</u>: By striking out the *First* and *Second* House proposals of amendment in their entirety.

<u>Second</u>: By striking out the *Third* House proposal of amendment in its entirety and inserting in lieu thereof a new *Third* proposal of amendment to read as follows:

<u>Third</u>: In Sec. 56, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) The following General Fund amount shall be reserved for appropriation or transfer in the fiscal year 2020 budget: \$9,700,000.

<u>Third</u>: By striking out the *Sixth* House proposal of amendment in its entirety and inserting in lieu thereof a new *Sixth* proposal of amendment to read as follows:

Sixth: By striking out Sec. 88 in its entirety and inserting in lieu thereof a new Sec. 88 to read as follows:

Sec. 88. FISCAL YEAR 2019 ONE-TIME APPROPRIATIONS AND TRANSFERS FROM THE GENERAL FUND

(a) The following appropriations are made from the General Fund in fiscal year 2019:

(1) To the Agency of Digital Services: \$1,800,000 to be apportioned as follows:

(A) \$1,300,000 for firewalls;

(B) \$500,000 to invest in hardware for the data storage of State devices.

(2) To the Department of Health: \$2,400,000 to fund the testing for lead content in schools' and licensed child care centers' drinking water consistent with the program established in S.40 of 2019. These funds are allocated as follows:

(A) \$125,000 to fund the limited service program position established in S.40 of 2019.

(B) \$150,000 to fund program start-up and data management costs for the program.

(C) \$1,265,000 to fund the initial testing and retesting costs.

(D) \$860,000 to fund the estimated 50 percent State share of tap remediation costs. This State share funding commitment is limited to remediation of tap fixtures only. The funding will provide 50 percent of up to \$300 for each tap fixture replacement excluding labor at schools, and 50 percent of up to \$600 for each tap fixture replacement including labor at licensed childcare providers. (3) To the Department of Environmental Conservation: \$125,000 to fund the limited service remediation position established in S.40 of 2019.

(4) To the Attorney General: \$22,662 for the increased diversion and pre-trial services caseload increases in fiscal year 2019.

(5) To Department of Public Safety: \$196,812 for the cost of replacement holsters, sidearm lighting, communications equipment, and less lethal weapons.

(6) To the Joint Fiscal Office: \$275,000 to be allocated as follows for studies that will be comprehensively defined in the fiscal year 2020 budget process:

(A) \$250,000 to be reserved to fund contracted services for research and findings to identify and examine the factors contributing to Vermont's high rate of children entering the custody of the State. Such research shall study the preventive and upstream services and interventions provided to families and the extent to which these supports to families have demonstrated effectiveness in allowing children to remain with their families. Policy recommendations resulting from this research is intended to inform funding decisions regarding these services to ensure the safety of Vermont's vulnerable children and to enhance the long-term stability and well-being of these families.

(B) \$25,000 to be reserved to fund contracted services for research and findings related to the detention population of the Department of Corrections (DOC) and policy recommendations to reduce this population and/or reduce the need for DOC in-state bed capacity for this population. The report shall be submitted to the General Assembly on or before December 15, 2019.

(b) The following transfers are made from the General Fund in fiscal year 2019:

(1) State Treasurer: \$22,200,000 from the General Fund to the Retired Teachers' Health and Medical Benefits Fund to repay-in-full in fiscal year 2019 the interfund loan obligation authorized by 16 V.S.A. § 1944b(e). This transfer shall be recognized as an additional contribution to the Retired Teachers' Health and Medical Fund in fiscal year 2019.

(2) State Treasurer: \$3,293,817 from the General Fund to the Vermont Teachers' Retirement Fund, established pursuant to 16 V.S.A. § 1944. This amount reflects an additional contribution above the actuarily determined employer contribution and the VSTRS Board of Trustees' request for fiscal year 2020. This amount shall be transferred in fiscal year 2019.

Which was agreed to.

Third Reading Ordered

S. 42.

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

An act relating to requiring at least one member of the Green Mountain Care Board to be a health care professional.

Reported that the bill ought to pass.

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

Bills Passed

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

S. 37. An act relating to medical monitoring damages.

S. 41. An act relating to regulating entities that administer health reimbursement arrangements.

S. 65. An act relating to banning baby bumper pads.

Bill Amended; Bill Passed

S. 133.

Senate bill entitled:

An act relating to juvenile jurisdiction.

Was taken up.

Thereupon, pending third reading of the bill, Senator Ingram moved to amend the bill in Sec. 9, 3 V.S.A. § 164, in subdivision (e)(1)(B)(i)(I), by striking out the word "<u>abuse</u>" and inserting in lieu thereof the word <u>use</u>

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Baruth moved to amend the bill in Sec. 9, 3 V.S.A. § 164, in subdivision (e)(1)(B), by striking out subdivision (iv) in its entirety.

Which was agreed to.

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

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Third Reading Ordered

S. 118.

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

An act relating to the time frame for the adoption of administrative rules.

Reported that the bill ought to pass.

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

Message from the House No. 25

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 26. An act relating to restricting retail and Internet sales of electronic cigarettes, liquid nicotine, and tobacco paraphernalia in Vermont.

H. 511. An act relating to criminal statutes of limitations.

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

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

H. 3. An act relating to ethnic and social equity studies standards for public schools.

And has severally concurred therein.

Adjournment

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

FRIDAY, MARCH 15, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Stannard Baker of Burlington.

Message from the House No. 26

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 287. An act relating to small probate estates.

H. 512. An act relating to miscellaneous court and Judiciary related amendments.

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

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

S. 11. An act relating to limiting senatorial districts to a maximum of three members.

And has passed the same in concurrence.

Message from the House No. 27

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

Mr. President:

I am directed to inform the Senate that:

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

H.C.R. 67. House concurrent resolution designating Tuesday, March 19, 2019 as Project Trio Day at the State House.

H.C.R. 68. House concurrent resolution congratulating Cabot Creamery Co-operative on its centennial.

H.C.R. 69. House concurrent resolution congratulating the St. Albans Cooperative Creamery on its centennial.

H.C.R. 70. House concurrent resolution honoring Dr. Dennis LeBlanc for his four decades of outstanding dental service in Derby.

H.C.R. 71. House concurrent resolution honoring civic activist Shirley Searles Squires of Guilford.

H.C.R. 72. House concurrent resolution congratulating the 2018 Windsor High School Division III championship baseball team.

H.C.R. 73. House concurrent resolution congratulating the 2018 Mt. Abraham Union High School Eagles Division II championship field hockey team.

H.C.R. 74. House concurrent resolution congratulating the Brookfield Ice Harvest at the Floating Bridge on its 40th anniversary and honoring the event's founder, Al Wilder.

H.C.R. 75. House concurrent resolution congratulating the 2018 Champlain Valley Union High School Redhawks Division I championship boys' soccer team.

H.C.R. 76. House concurrent resolution congratulating The Pharmacy in Bennington and its founding pharmacists, Philip J. O'Neill and Edward P. Molloy, on the retailer's 50th anniversary.

H.C.R. 77. House concurrent resolution congratulating Bennington Project Independence on its 40th anniversary and the 10th anniversary of its home at the Dr. Richard A. Sleeman Center.

H.C.R. 78. House concurrent resolution recognizing March 15, 2019 as Brain Injury Awareness Day in Vermont.

H.C.R. 79. House concurrent resolution in memory of former Norwich University professor and Northfield civic leader Donald MacPherson Wallace Jr.

H.C.R. 80. House concurrent resolution designating March 12, 2019 as Vermont Lions Day at the State House.

H.C.R. 81. House concurrent resolution honoring Daniel Roberts on his half century of exemplary service as a Tunbridge volunteer firefighter.

H.C.R. 82. House concurrent resolution in memory of former Assistant Sergeant at Arms and Head Doorkeeper Laurence A. Wade Sr. of East Barre.

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

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

S.C.R. 6. Senate concurrent resolution honoring Linda Hall for her 30 years of outstanding volunteer leadership as the director of the Solomon Wright Public Library in Pownal.

And has adopted the same in concurrence.

Appointment of Senate Members to Legislative Council

Pursuant to the provisions of 2 V.S.A. §402, the President announced the appointment by the President *pro tempore* of the following Senators to serve on the Legislative Council for terms of two years:

Senator Ashe, *ex officio* Senator Clarkson Senator Mazza Senator McNeil

Bill Referred to Committee on Appropriations

S. 32.

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

An act relating to the public financing of campaigns.

Bills Introduced

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

S. 156.

By Senators Hooker, Clarkson and McCormack,

An act relating to binding interest arbitration for State employees and municipal public safety employees.

To the Committee on Government Operations.

S. 157.

By Senator Pollina,

An act relating to expanding the powers of the State Ethics Commission.

To the Committee on Government Operations.

S. 158.

By Senator Pearson,

An act relating to consumer protection and repairing goods under warranty.

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

Bills Referred

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

H. 26.

An act relating to restricting retail and Internet sales of electronic cigarettes, liquid nicotine, and tobacco paraphernalia in Vermont.

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

H. 287.

An act relating to small probate estates.

To the Committee on Judiciary.

H. 511.

An act relating to criminal statutes of limitations.

To the Committee on Judiciary.

H. 512.

An act relating to miscellaneous court and Judiciary related amendments.

To the Committee on Judiciary.

Bill Amended; Bill Passed

S. 42.

Senate bill entitled:

An act relating to requiring at least one member of the Green Mountain Care Board to be a health care professional.

Was taken up.

Thereupon, pending third reading of the bill, Senator White moved to amend the bill in Sec. 1, 18 V.S.A. § 9374, in subdivision (a)(2), in the third sentence, after the following: "chapter 23 or 33," by inserting the following: an individual licensed as a naturopathic physician pursuant to 26 V.S.A. chapter 81,

Which was agreed to.

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

Bill Passed

S. 118.

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

An act relating to the time frame for the adoption of administrative rules.

Committee Relieved of Further Consideration; Bill Committed

S. 145.

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

An act relating to addressing racial bias,

and the bill was committed to the Committee on Government Operations.

Senate Concurrent Resolution

The following joint concurrent resolution, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, was adopted on the part of the Senate:

By Senators Campion and Sears,

By Reps. Brownell and others,

S.C.R. 6.

Senate concurrent resolution honoring Linda Hall for her 30 years of outstanding volunteer leadership as the director of the Solomon Wright Public Library in Pownal.

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 All Members of the House,

By All Members of the Senate,

H.C.R. 67.

House concurrent resolution designating Tuesday, March 19, 2019 as Project Trio Day at the State House.

By Reps. Toll and others,

By Senators Kitchel, Benning, Mazza, Cummings, MacDonald, Perchlik, Pollina, Starr and Westman,

H.C.R. 68.

House concurrent resolution congratulating Cabot Creamery Co-operative on its centennial.

By Reps. Toof and others,

By Senators Parent and Brock,

H.C.R. 69.

House concurrent resolution congratulating the St. Albans Cooperative Creamery on its centennial.

By Reps. Smith and others,

H.C.R. 70.

House concurrent resolution honoring Dr. Dennis LeBlanc for his four decades of outstanding dental service in Derby.

By Rep. Coffey,

H.C.R. 71.

House concurrent resolution honoring civic activist Shirley Searles Squires of Guilford.

By Reps. Ralph and Bartholomew,

H.C.R. 72.

House concurrent resolution congratulating the 2018 Windsor High School Division III championship baseball team.

By Reps. Elder and others,

By Senators Bray and Hardy,

H.C.R. 73.

House concurrent resolution congratulating the 2018 Mt. Abraham Union High School Eagles Division II championship field hockey team. By Reps. Jickling and Hooper,

By Senator MacDonald,

H.C.R. 74.

House concurrent resolution congratulating the Brookfield Ice Harvest at the Floating Bridge on its 40th anniversary and honoring the event's founder, Al Wilder.

By Reps. Yantachka and others,

By Senators Ashe, Baruth, Ingram, Lyons, Pearson and Sirotkin,

H.C.R. 75.

House concurrent resolution congratulating the 2018 Champlain Valley Union High School Redhawks Division I championship boys' soccer team.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 76.

House concurrent resolution congratulating The Pharmacy in Bennington and its founding pharmacists, Philip J. O'Neill and Edward P. Molloy, on the retailer's 50th anniversary.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 77.

House concurrent resolution congratulating Bennington Project Independence on its 40th anniversary and the 10th anniversary of its home at the Dr. Richard A. Sleeman Center.

By Rep. Squirrell,

H.C.R. 78.

House concurrent resolution recognizing March 15, 2019 as Brain Injury Awareness Day in Vermont.

By Reps. Donahue and Goslant,

H.C.R. 79.

House concurrent resolution in memory of former Norwich University professor and Northfield civic leader Donald MacPherson Wallace Jr.

By Rep. Walz,

H.C.R. 80.

House concurrent resolution designating March 12, 2019 as Vermont Lions Day at the State House.

By Rep. O'Brien,

H.C.R. 81.

House concurrent resolution honoring Daniel Roberts on his half century of exemplary service as a Tunbridge volunteer firefighter.

By Reps. McFaun and LaClair,

H.C.R. 82.

House concurrent resolution in memory of former Assistant Sergeant at Arms and Head Doorkeeper Laurence A. Wade Sr. of East Barre.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, March 19, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 18.

TUESDAY, MARCH 19, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

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

Bills Referred to Committee on Finance

Senate bills of the following titles, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule were severally referred to the Committee on Finance:

S. 113. An act relating to the prohibition of plastic carryout bags, expanded polystyrene, and single-use plastic straws.

S. 117. An act relating to the therapeutic use of cannabis.

Bills Referred to Committee on Appropriations

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

S. 96. An act relating to establishing a Clean Water Assessment to fund State water quality programs.

S. 131. An act relating to insurance and securities.

Bill Referred to Committee on Appropriations

H. 39.

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

An act relating to the extension of the deadline of school district mergers required by the State Board of Education.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 19.

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

By Senator Ashe,

J.R.S. 19. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 22, 2019, it be to meet again no later than Tuesday, March 26, 2019.

Bill Introduced

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

S. 159.

By Senator Rodgers,

An act relating to the collection of mandated recyclables and food waste.

To the Committee on Natural Resources and Energy.

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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 tomorrow:

S. 160.

By the Committee on Agriculture,

An act relating to agricultural development.

S. 161.

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

An act relating to housing investments.

S. 162.

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

An act relating to promoting economic development.

S. 163.

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

An act relating to housing safety and rehabilitation.

S. 164.

By the Committee on Education,

An act relating to miscellaneous changes to education law.

Bills Introduced

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

S. 165.

By Senators Bray, Balint, Campion, Clarkson, Hardy, Lyons, McCormack and Pollina,

An act relating to forest fragmentation and Act 250.

To the Committee on Natural Resources and Energy.

S. 166.

By Senators Brock, Benning, Collamore, McNeil, Parent, Starr and White, An act relating to the dissolution of the State Board of Education. To the Committee on Education.

S. 167.

By Senator White,

An act relating to compassionate release and parole eligibility.

To the Committee on Institutions.

S. 168.

By Senators Bray, Balint, Campion, Lyons, McCormack and Pollina,

An act relating to household products containing hazardous substances.

To the Committee on Natural Resources and Energy.

Committee Bill Introduced

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

S. 169.

By the Committee on Judiciary,

An act relating to firearms procedures.

Third Reading Ordered

S. 154.

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

An act relating to miscellaneous banking provisions.

Reported that the bill ought to pass.

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

Bills Amended; Third Readings Ordered

S. 12.

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

An act relating to the State Energy Management Program.

Reported recommending that the bill be amended as follows:

<u>First</u>: In Sec. 1, in subdivision (b)(1), by striking out the word "<u>seven</u>" and inserting and inserting the word <u>eight</u>

<u>Second</u>: In Sec. 1, in subdivision (b)(2), by striking out the following: "2022" and inserting the following: 2023 in subdivision (b)(2)(A), by striking out the following: "seven-year" and inserting the following: eightyear and in subdivision (b)(2)(B), by striking out the word "six" and inserting the word seven

<u>Third</u>: In Sec. 1, in subsection (d), by striking out the following: "2022" and inserting the following: 2023 and in subdivision (d)(5), by striking out the following: "2022" and inserting the following: 2023

And that when so amended the bill ought to pass.

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

S. 73.

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

An act relating to licensure of ambulatory surgical centers.

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

Sec. 1. 18 V.S.A. chapter 49 is added to read:

CHAPTER 49. AMBULATORY SURGICAL CENTERS

Subchapter 1. General Provisions

§ 2141. DEFINITIONS

As used in this chapter:

(1) "Ambulatory surgical center" means any distinct entity that operates primarily for the purpose of providing surgical services to patients not requiring hospitalization and for which the expected duration of services would not exceed 24 hours following an admission. The term does not include:

(A) a facility that is licensed as part of a hospital; or

(B) a facility that is used exclusively as an office or clinic for the private practice of one or more licensed health care professionals, unless one or more of the following descriptions apply:

(i) the facility holds itself out to the public or to other health care providers as an ambulatory surgical center, surgical center, surgery center, surgicenter, or similar facility using a similar name or a variation thereof;

(ii) procedures are carried out at the facility using general anesthesia, except as used in oral or maxillofacial surgery or as used by a dentist with a general anesthesia endorsement from the Board of Dental Examiners; or

(iii) patients are charged a fee for the use of the facility in addition to the fee for the professional services of one or more of the health care professionals practicing at that facility.

(2) "Health care professional" means:

(A) a physician licensed pursuant to 26 V.S.A. chapter 23 or 33;

(B) an advanced practice registered nurse licensed pursuant to 26 V.S.A. chapter 28;

(C) a physician assistant licensed pursuant to 26 V.S.A. chapter 31;

(D) a podiatrist licensed pursuant to 26 V.S.A. chapter 7; or

(E) a dentist licensed pursuant to 26 V.S.A. chapter 12.

(3) "Patient" means a person admitted to or receiving health care services from an ambulatory surgical center.

Subchapter 2. Licensure of Ambulatory Surgical Centers

§ 2151. LICENSE

No person shall establish, maintain, or operate an ambulatory surgical center in this State without first obtaining a license for the ambulatory surgical center in accordance with this subchapter.

§ 2152. APPLICATION; FEE

(a) An application for licensure of an ambulatory surgical center shall be made to the Department of Health on forms provided by the Department and shall include all information required by the Department. Each application for a license shall be accompanied by a license fee.

(b) The annual licensing fee for an ambulatory surgical center shall be <u>\$600.00</u>.

(c) Fees collected under this section shall be credited to a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and shall be available to the Department of Health to offset the costs of licensing ambulatory surgical centers.

§ 2153. LICENSE REQUIREMENTS

(a) Upon receipt of an application for a license and the licensing fee, the Department of Health shall issue a license if it determines that the applicant and the ambulatory surgical center facilities meet the following minimum standards:

(1) The applicant shall demonstrate the capacity to operate an ambulatory surgical center in accordance with rules adopted by the Department.

(2) The applicant shall demonstrate that its facilities comply fully with standards for health, safety, and sanitation as required by State law, including standards set forth by the State Fire Marshal and the Department of Health, and municipal ordinance.

(3) The applicant shall have a clear process for responding to patient complaints.

(4) The applicant shall participate in the Patient Safety Surveillance and Improvement System established pursuant to chapter 43A of this title.

(b) A license is not transferable or assignable and shall be issued only for the premises and persons named in the application.

§ 2154. REVOCATION OF LICENSE; HEARING

The Department of Health, after notice and opportunity for hearing to the applicant or licensee, is authorized to deny, suspend, or revoke a license in any case in which it finds that there has been a substantial failure to comply with the requirements established under this chapter. Such notice shall be served by registered mail or by personal service, shall set forth the reasons for the proposed action, and shall set a date not less than 60 days from the date of the mailing or service on which the applicant or licensee shall be given opportunity for a hearing. After the hearing, or upon default of the applicant or licensee, the Department shall file its findings of fact and conclusions of law. A copy of the findings and decision shall be sent by registered mail or served personally upon the applicant or licensee. The procedure governing hearings authorized by this section shall be in accordance with the usual and customary rules provided for such hearings.

§ 2155. APPEAL

Any applicant or licensee, or the State acting through the Attorney General, aggrieved by the decision of the Department of Health after a hearing may, within 30 days after entry of the decision as provided in section 2154 of this title, appeal to the Superior Court for the district in which the appellant is located. The court may affirm, modify, or reverse the Department's decision,

and either the applicant or licensee or the Department or State may appeal to the Vermont Supreme Court for such further review as is provided by law. Pending final disposition of the matter, the status quo of the applicant or licensee shall be preserved, except as the court otherwise orders in the public interest.

§ 2156. INSPECTIONS

The Department of Health shall make or cause to be made such inspections and investigation as it deems necessary.

§ 2157. RECORDS

Information received by the Department of Health through filed reports, inspections, or as otherwise authorized by law shall:

(1) not be disclosed publicly in a manner that identifies or may lead to the identification of one or more individuals or ambulatory surgical centers;

(2) is exempt from public inspection and copying under the Public Records Act; and

(3) shall be kept confidential except as it relates to a proceeding regarding licensure of an ambulatory surgical center.

§ 2158. NONAPPLICABILITY

The provisions of chapter 42 of this title, Bill of Rights for Hospital Patients, do not apply to ambulatory surgical centers.

§ 2159. RULES

The Department of Health shall adopt rules pursuant to 3 V.S.A. chapter 25 as needed to carry out the purposes of this chapter.

Sec. 2. EFFECTIVE DATE

This act shall take effect on January 1, 2020, provided that any ambulatory surgical center in operation on that date shall have six months to complete the licensure process.

And that when so amended the bill ought to pass.

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

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

S. 83.

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

An act relating to prohibiting agreements that prevent an employee from working for the employer following the settlement of a discrimination claim.

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

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

§ 495. UNLAWFUL EMPLOYMENT PRACTICE

(a) It shall be unlawful employment practice, except where a bona fide occupational qualification requires persons of a particular race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, crime victim status, or physical or mental condition:

* * *

(i) An agreement to settle a claim of a violation of subsection (a) of this section shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the employer. Any provision of an agreement to settle a claim of a violation of subsection (a) of this section that violates this subsection shall be void and unenforceable with respect to the individual who made the claim.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

S. 108.

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

An act relating to employee misclassification.

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

Sec. 1. 21 V.S.A. § 712 is added to read:

§ 712. COMPLAINT OF MISCLASSIFICATION; ENFORCEMENT BY ATTORNEY GENERAL

(a) In addition to any other remedies provided under this chapter, an individual may file a complaint with the Attorney General that an employer has committed a violation of section 687 or 708 of this chapter by claiming that it is not an employer as defined pursuant to subdivision 601(3) of this chapter or that an individual is not a worker or employee as defined pursuant to subdivision 601(14) of this chapter.

(b) The Attorney General may investigate the complaint and may enforce the provisions of section 687 or 708 of this chapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though a violation of section 687 or 708 of this chapter and any related violations of the provisions of this chapter were unfair acts in commerce. Any employer, employment agency, or labor organization complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for a violation of section 687 or 708 of this chapter and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(c) If, following the investigation, the Attorney General determines that an employer has committed a violation of section 687 or 708 of this chapter, the Attorney General shall notify the Commissioners of Labor, of Financial Regulation, and of Taxes of the determination, and those Commissioners shall review whether the employer is in compliance with the laws related to employee classification that are under their jurisdiction.

Sec. 2. 21 V.S.A. § 1379 is added to read:

§ 1379. COMPLAINT OF MISCLASSIFICATION; ENFORCEMENT BY ATTORNEY GENERAL

(a) In addition to any other remedies provided under this chapter, an individual that is misclassified by an employing unit or harmed by an employing unit's misclassification of an employee as an independent contractor may file a complaint of the misclassification and any related violations of the provisions of this chapter with the Attorney General.

(b) The Attorney General may investigate the complaint and may enforce the provisions of this chapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee and any related violations of the provisions of this chapter were unfair acts in commerce. Any employer, employment agency, or labor organization complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(c) If, following the investigation, the Attorney General determines that an employee has been misclassified as an independent contractor, the Attorney General shall notify the Commissioners of Labor, of Financial Regulation, and of Taxes of the determination, and those Commissioners shall review whether the employer is in compliance with the laws related to employee classification that are under their jurisdiction.

Sec. 3. 21 V.S.A. § 346 is added to read:

§ 346. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE MISCLASSIFICATION

(a) In addition to any other remedies provided under this subchapter, an individual may file a complaint with the Attorney General that an employer has committed a violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying an employee as an independent contractor.

(b) The Attorney General may investigate a complaint of a violation of section 342, 343, 348, 482, or 483 of this chapter that is related to the misclassification of an employee as an independent contractor and may enforce those provisions by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee and any related violations of the provisions of section 342, 343, 348, 482, or 483 of this chapter were unfair acts in commerce. Any employer complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order

other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(c) If, following the investigation, the Attorney General determines that an employer committed a violation of section 342, 343, 348, 482, or 483 of this chapter by misclassifying an employee as an independent contractor, the Attorney General shall notify the Commissioners of Labor, of Financial Regulation, and of Taxes of the determination, and those Commissioners shall review whether the employer is in compliance with the laws related to employee classification that are under their jurisdiction.

Sec. 4. 21 V.S.A. § 387 is added to read:

§ 387. ENFORCEMENT BY ATTORNEY GENERAL; EMPLOYEE MISCLASSIFICATION

(a) In addition to any other remedies provided under this subchapter, an individual may file a complaint with the Attorney General that an employer has committed a violation of this subchapter by misclassifying an employee as an independent contractor.

(b) The Attorney General may investigate a complaint of a violation of this subchapter that is related to the misclassification of an employee as an independent contractor and may enforce the provisions of this subchapter by restraining prohibited acts, seeking civil penalties, obtaining assurances of discontinuance, and conducting civil investigations in accordance with the procedures established in 9 V.S.A. §§ 2458–2461 as though the misclassification of an employee and any related violations of the provisions of this subchapter were unfair acts in commerce. Any employer complained against shall have the same rights and remedies as specified in 9 V.S.A. §§ 2458–2461. The Superior Courts may impose the same civil penalties and investigation costs and order other relief to the State of Vermont or an aggrieved employee for the misclassification of an employee and any related violations of the provisions of this chapter as they are authorized to impose or order under the provisions of 9 V.S.A. §§ 2458 and 2461 in an unfair act in commerce. In addition, the Superior Courts may order restitution of wages or other benefits on behalf of an employee and may order reinstatement and other appropriate relief on behalf of an employee.

(c) If, following the investigation, the Attorney General determines that an employer has violated this subchapter by misclassifying an employee as an independent contractor, the Attorney General shall notify the Commissioners of Labor, of Financial Regulation, and of Taxes of the determination, and those Commissioners shall review whether the employer is in compliance with the laws related to employee classification that are under their jurisdiction.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of amendment was agreed to on a roll call, Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, McNeil, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

Thereupon, third reading of the bill was ordered.

S. 132.

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

An act relating to hate crimes and bias incidents.

Reported recommending that the bill be amended by striking out Sec. 1, 13 V.S.A. § 1466, it its entirety and by renumbering the remaining sections to be numerically correct.

And that when so amended the bill ought to pass.

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

Rules Suspended; Bills Referred

S. 160.

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

An act relating to agricultural development.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the bill affecting the revenue of the state, was referred to the Committee on Finance under Senate Rule 31.

S. 161.

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

An act relating to housing investments.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and affecting the revenue of the state, was referred to the Committee on Finance under Senate Rule 31.

S. 163.

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

An act relating to housing safety and rehabilitation.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and affecting the revenue of the state, was referred to the Committee on Finance under Senate Rule 31.

Rules Suspended; Bills Referred

S. 162.

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

An act relating to promoting economic development.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the bill carrying an appropriation and requiring the expenditure of funds, was referred to the Committee on Appropriations under Senate Rule 31.

S. 164.

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

An act relating to miscellaneous changes to education law.

Was taken up for immediate consideration.

Thereupon, on motion of Senator Ashe, the rules were suspended, and the bill carrying an appropriation and requiring the expenditure of funds, was referred to the Committee on Appropriations under Senate Rule 31.

Message from the House No. 28

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. 278. An act relating to acknowledgment or denial of parentage.

H. 321. An act relating to aggravated murder for killing a firefighter or an emergency medical provider.

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

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

J.R.S. 17. Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

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

Adjournment

On motion of Senator Ashe, the Senate adjourned until one o'clock in the afternoon on Wednesday, March 20, 2019.

WEDNESDAY, MARCH 20, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Bruce Wilkinson of Williston.

Committee Relieved of Further Consideration; Bill Committed

S. 167.

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

An act relating to compassionate release and parole eligibility,

and the bill was committed to the Committee on Judiciary.

Bills Referred to Committee on Appropriations

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

S. 106. An act relating to establishing the Municipal Self-Governance Program.

S. 113. An act relating to the prohibition of plastic carryout bags, expanded polystyrene, and single-use plastic straws.

Bill Introduced

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

S. 170.

By Senator Bray,

An act relating to the Standard Offer Program and hydroelectric plants.

To the Committee on Finance.

Bills Referred

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

H. 278.

An act relating to acknowledgment or denial of parentage.

To the Committee on Judiciary.

H. 321.

An act relating to aggravated murder for killing a firefighter or an emergency medical provider.

To the Committee on Judiciary.

Bill Amended; Third Reading Ordered

S. 107.

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

An act relating to elections corrections.

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

* * * Ratification of Articles of Amendment to the Vermont Constitution * * *

Sec. 1. 17 V.S.A. chapter 32 is amended to read:

CHAPTER 32. PUBLICATION AND RATIFICATION OF ARTICLES OF AMENDMENT TO VERMONT CONSTITUTION

* * *

§ 1842. TIME OF VOTING; WARNING

(a) The people shall be assembled for the purpose of voting on the article of amendment in their respective towns and cities at the same time and place as for the general election, on the first Tuesday after the first Monday in November, in even-numbered years, and the warning for each meeting shall contain an article, in substance as follows:

"To see if the freemen and freewomen voters will vote to accept or reject the proposed article of amendment to the Constitution of Vermont."

(b) The omission of that article from the warning shall not invalidate nor affect the vote on the proposed article of amendment, and the freemen and freewomen voters of each town or city shall vote on the article of amendment whether the warning contains the foregoing article or not.

§ 1843. PROCESS OF VOTING; MAKING RETURNS; CONDUCT OF MEETINGS

(a)(1) At those meetings the freemen and freewomen voters may vote by ballot for or against the article of amendment.

(2) The same officer shall preside in each such meeting as provided in section 2680 of this title.

(b) The board of civil authority shall, in open meeting, receive, sort, and count the votes of the freemen and freewomen voters for and against the article of amendment and the result shall be declared by the presiding officer. That result shall be recorded by the clerk of the town or city and true returns thereof shall be made, sealed up and sent by the clerk by mail or otherwise to the Secretary of State as provided in section 2588 of this title.

(c) The ballot boxes for the reception of votes polls for voting on the article of amendment shall be opened and shall close open as provided in section 2561 of this title.

§ 1844. PUBLICATION IN NEWSPAPERS AND ON STATE WEBSITES; BALLOTS

(a)(1) The Secretary of State shall, between September 25 and October 1 in any year in which a vote on ratification of an article of amendment is taken, prepare copies of the proposal of amendment and forward them, with a summary of proposed changes, for publication in at least two newspapers having general circulation in the State, as determined by the Secretary of State.

(2) The proposal shall be so published once each week for three successive weeks in each of the papers at the expense of the State and on the websites of the General Assembly and the Office of the Secretary of State.

(b) The Secretary of State shall cause ballots to be prepared for a vote by the freemen and freewomen voters of the State upon the proposal of amendment.

§ 1845. QUALIFICATIONS OF VOTERS; CHECKLISTS, BOOTHS, CLERKS

The qualifications of voters on the proposal of amendment, the checklist requirements for the election, and all other provisions relating to the conduct of the election shall be the same as those required of voters at general elections under sections 2121-2126 of this title and sections 2141-2150 of this title relating to checklists shall apply, but the checklist specified in section 2141 of this title to be used at the meetings under this act shall be prepared and posted at least 30 days before the first Tuesday after the first Monday in November, in even-numbered years. Voting booths shall be prepared and the ballot clerks and assisting clerks shall be appointed, as in case of general elections.

§ 1846. FAILURE TO POST CHECKLISTS

The failure of the selectboard of any town, or the proper officers of any city, to prepare and post checklists of the freemen and freewomen voters of the town or city at least 30 days before the first Tuesday after the first Monday in November, in even-numbered years, as provided by section 1845 2141 of this

title, shall not invalidate the votes given by the freemen and freewomen voters of the town or city upon the proposed article of amendment.

* * *

§ 1848. TABULATION OF RETURNS; RECORD OF AMENDMENTS

The Governor and Secretary of State shall, on the second Tuesday of December, of the year in which a vote on ratification of an article of amendment is taken, open and tabulate the returns made under section 1843 of this title chapter; and if it appears therefrom that the article of amendment has been ratified and adopted by a majority of the freemen and freewomen voters voting thereon, the amendment shall be enrolled on the parchment and deposited in the office of the Secretary of State as a part of the Constitution of this State and shall, in all future official revisions of the laws, be published in immediate connection therewith.

§ 1849. PROCLAMATION BY GOVERNOR

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The Governor shall thereupon forthwith issue his or her proclamation, attested by the Secretary of State, reciting the article of amendment and announcing the ratification and adoption of it by the people of this State under this chapter and that the amendment has become a part of the Constitution thereof and requiring all magistrates and officers, and all citizens of the State to take notice thereof and govern themselves accordingly; or that the article of amendment has been rejected, as the case may be.

§ 1850. TRANSMISSION OF COPIES OF ACT <u>CHAPTER</u> AND FORMS TO CLERKS

(a) The Secretary of State shall send to the clerk of each city and town a copy of this act chapter at least two months before the vote on the ratification of an article of amendment.

(b) In any year in which a vote on ratification of an article of amendment is taken, the Secretary of State shall, within the period prescribed by section 1844 of this title chapter, send to the clerk of each city and town ballots provided for in that section 1844 of this title and blank forms for the returns of votes on the article of amendment.

* * * Reapportionment * * *

Sec. 2. 17 V.S.A. § 1881a is amended to read:

§ 1881a. SENATORIAL DISTRICTS; NOMINATIONS AND ELECTION

(c)(1) Petitions for nominating candidates for Senator in the General Assembly by primary or by certificates of nomination of candidates for that office by convention, caucus, committee, or voters under chapter 49 of this title may be filed in the office of any county clerk in a senatorial district.

(2)(A) On the day after the last day for filing those petitions or certificates for that office, the other county clerk shall notify the senatorial district clerk of the facts concerning those petitions or certificates.

(B) The senatorial district clerk shall be responsible for determining the names of candidates and other facts required by law to appear on the ballot for the office of Senator, and for obtaining and distributing the ballots to the other clerks in the district. In senatorial districts, the ballots for Senator in the General Assembly shall be separate from those for other county officers.

* * *

Sec. 3. 17 V.S.A. § 1901 is amended to read:

§ 1901. PURPOSE

(a) The Supreme Court of the United States has ruled that the Equal Protection Clause of the Fourteenth Amendment to the U.S. Constitution requires all state legislative bodies to be apportioned in such manner as to achieve substantially equal weighting of the votes of all voters in the choice of legislators.

(b) To comply with such requirement it will be necessary to reapportion the House of Representatives <u>and Senate</u> at periodic intervals, so that changes may be recognized in legislative apportionment.

(c) It is the purpose of this chapter to achieve such reapportionment in an orderly and impartial manner.

Sec. 4. 17 V.S.A. § 1909 is amended to read:

§ 1909. REVIEW

(a) Within 30 days of the effective date of any apportionment bill enacted pursuant to section 1906b, 1906c, or 1907 of this title chapter, any five or more freemen and freewomen voters of the State aggrieved by the plan or act may petition the Supreme Court of Vermont for review of same.

(b) The sole grounds of review to be considered by the Supreme Court shall be that the apportionment plan, or any part of it, is unconstitutional or violates section 1903 of this <u>title chapter</u>.

* * *

* * * Voter Registration * * *

Sec. 5. 17 V.S.A. § 2145a is amended to read:

§ 2145a. REGISTRATIONS AT THE DEPARTMENT OF MOTOR VEHICLES

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

* * *

(c) An application for voter registration under this section shall update any previous voter registration by the applicant. Any change of address form submitted to the Department of Motor Vehicles in connection with an application for a motor vehicle driver's license shall serve to update voter registration information previously provided by the voter, unless the voter states on the form that the change of address is not for voter registration purposes.

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

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

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

* * *

(i) Notwithstanding the provisions of subsection (d) of this section or any other provision of law to the contrary, the Department of Motor Vehicles shall share its motor vehicle driver's license, driver privilege card, and nondriver identification card customer data with the Secretary of State's office for the Secretary's use in conducting voter registration and voter checklist maintenance activities. Sec. 6. 17 V.S.A. § 2150 is amended to read:

§ 2150. REMOVING NAMES FROM CHECKLIST

* * *

(d) Except as provided in subsection (a) of this section, a board of civil authority shall only remove a name from the checklist in accordance with the following procedure:

(1) If the board of civil authority is satisfied that a voter whose eligibility is being considered is still qualified to vote in the municipality, the voter's name shall remain on the checklist, and no further action shall be taken.

 $(2)(\underline{A})(\underline{i})$ If the board of civil authority does not immediately know that the voter is still qualified to vote in the municipality, the board shall attempt to determine with certainty what the true status of the voter's eligibility is.

(ii) The board of civil authority may consider and rely upon official and unofficial public records and documents, including telephone directories, city directories, newspapers, death certificates, obituary (or other public notice of death), tax records, and any checklist or checklists showing persons who voted in any election within the last four years.

(iii) The board of civil authority may also designate one or more persons to attempt to contact the voter personally.

(B) Any voter whom the board of civil authority finds through such inquiry to be eligible to remain on the checklist shall be retained without further action being taken.

(C) The name of any voter proven to be deceased shall be removed from the checklist.

 $(3)(\underline{A})(\underline{i})$ If after conducting its inquiry the board of civil authority or town clerk is unable to locate a voter whose name is on the checklist, or if the inquiry reveals facts indicating that the voter may no longer be eligible to vote in the municipality, the board of civil authority or, upon request of the board, the town clerk shall send a written notice to the voter.

(ii) The notice shall be sent by first-class mail to the most recent known address of the voter, asking the voter to verify his or her current eligibility to vote in the municipality.

(iii) The notice shall be sent with the required U.S. Postal Service language for requesting change of address information.

(B) Enclosed with the notice shall be a postage paid postage-paid pre-addressed return form on which the voter may reply swearing or affirming the voter's current place of residence as the municipality in question or alternatively consenting to the removal of the voter's name.

 (\underline{C}) The notice required by this subsection shall also include the following:

(A)(i) A statement informing the voter that if the voter has not changed his or her residence, or if the voter has changed his or her residence but the change was within the area covered by the checklist, the voter should return the form to the town clerk's office. The statement shall also inform the voter that if he or she fails to return the form as provided in this subdivision, written affirmation of the voter's address shall be required before the voter is permitted to vote.

(B)(ii) Information concerning how the voter can register to vote in another state or another municipality within this State.

(4) If the voter confirms in writing that the voter has changed his or her residence to a place outside the area covered by the checklist, the board of civil authority shall remove the voter's name from the checklist.

(5) In the case of voters who failed to respond to the notice sent pursuant to subdivision (3) of this subsection, the board of civil authority shall remove the voter's name from the checklist on the day after the second general election following the date of such notice, if the voter has not voted or appeared to vote in an election since the notice was sent or has not otherwise demonstrated his or her eligibility to remain on the checklist.

(6)(A) Notwithstanding the provisions of subdivision (5) of this subsection, if at any time subsequent to removal of a person's name from the checklist, the board determines that the person was still qualified to vote and that the voter's name should not have been removed, the board shall add the person's name to the checklist as provided in section 2147 of this title chapter.

(B) The provisions of this chapter shall be liberally construed, so that if there is any reasonable doubt whether a person's name should have been removed from the checklist, the person shall have the right to have the person's name immediately returned to the checklist.

 $(7)(\underline{A})$ The board of civil authority shall keep detailed records of its proceedings under this subchapter for at least two years. These records, except records relating to a person's decision not to register to vote or to the identity of the voter registration agency through which any particular voter registered, shall be public records and shall be available for inspection and copying at actual cost. The records shall include:

(A)(i) in the case of each name removed from the checklist, a clear statement of the reason or reasons for which the name was removed;

(B)(ii) in the case of the updating of the checklist required by subsection (c) of this section, the working copy or copies of the checklist used in the name by name review conducted to ascertain continued eligibility to vote;

(C)(iii) the total number of new registrations occurring during the period between general elections;

(D)(iv) the total number of persons removed from the checklist during the period between general elections; and

(E)(v) lists of the names and addresses of all persons to whom notices were sent under this subsection, and information concerning whether or not each person to whom a notice was sent responded to the notice as of the date that inspection of the records is made.

(B)(i) A letter certifying compliance with this section shall be filed with the Secretary of State by on or before September 20 of each odd-numbered year.

(ii) Upon request of any Superior judge or upon request of the Secretary of State, the town clerk shall forward a certified copy of the records of checklist maintenance.

* * * Political Parties * * *

Sec. 7. 17 V.S.A. chapter 45 is amended to read:

CHAPTER 45. POLITICAL PARTIES

§ 2301. ORGANIZATION OF MAJOR POLITICAL PARTIES

A major political party shall organize biennially as provided in this chapter. No <u>A</u> person acting on behalf of a major political party shall <u>not</u> accept any contribution or make any expenditure (except for the purpose of organizing under this chapter) unless the party has a current certificate of organization on file with the Secretary of State.

§ 2302. STATE CHAIR TO CALL CAUCUS

(a) The chair of the State committee of a party shall set a date for members of the party to meet in caucus in their respective towns, which. The date shall be between September 10 and September 30, inclusive, in each odd-numbered year.

(b) At least 14 days before the date set for the caucuses, the State chair shall mail or electronically mail a notice of the date and purpose of the caucuses to each town clerk and to each town and county chair of the party.

§ 2303. TOWN CHAIR TO GIVE NOTICE

(a) The town chair or, if unavailable or if the records of the Secretary of State show there is no chair, any three voters of the town shall arrange to hold a caucus on the day designated by the State chair, in some public place within the town and shall set the hour of the caucus.

(b)(1) At least five days before the day of the caucus, the town chair shall post a notice of the date, purpose, time, and place of the caucus in the town clerk's office and in at least one other public place in town.

(2) In towns of $3,000 \underline{5},000$ or more population, he or she shall also publish the notice:

(A) in a newspaper having general circulation in the town; or

(B) in a nonpartisan electronic news media website <u>or online forum</u> that specializes in news of the State or the community.

(c) If three voters arrange to call the caucus, the voters shall designate one person among them to perform the duties prescribed in subsection (b) of this section for the town chair.

§ 2304. TOWN CAUCUS

(a)(1) At the time and place set for the town caucus, the voters of the party residing in the town shall meet in caucus and proceed to elect a town committee, consisting of such number of voters of the town as the caucus deems necessary, to serve during the following two years or until their successors are elected or appointed.

(2) Additional members of a town committee may be elected by the town committee at any meeting, and may be eligible to vote on matters before the town committee at that meeting or at the next meeting, as determined by the members of the committee before the election.

(b) The voter checklist used by the caucus shall be the most recent checklist approved by the board of civil authority.

§ 2305. FIRST MEETING OF TOWN COMMITTEE

(a)(1) The first meeting of the town committee shall be held immediately following adjournment of the caucus.

(2) At this meeting, members of the town committee shall elect committee officers and delegates to the county committee.

(b) All officers and other members of the town committee and all delegates to the county committee shall be voters of the town.

§ 2306. PROCEDURE UPON FAILURE TO HOLD CAUCUS

If the voters of the party residing in any town fail to hold a caucus on the day designated by the State chairman chair, any three or more voters of the party residing in the town may call and hold a caucus at any time thereafter, in the manner provided above in sections 2303 through 2305 of this chapter. Those voters calling the caucus shall designate one of their number person among them to perform the duties prescribed above in section 2303 for the town chair.

§ 2307. CERTIFICATION OF OFFICERS AND COUNTY COMMITTEE DELEGATES

(a) Within 72 hours after the caucus, the chair and secretary of the town committee shall <u>mail_submit</u> to the <u>Secretary of State and the</u> chairs of the State and county committees a copy of the notice calling the meeting and a certified list of the names, <u>and</u> mailing addresses, <u>phone numbers</u>, <u>and e-mails</u> of the officers and members of the town committee and of the delegates to the county committee.

(b) A committee is not considered organized until <u>a certificate of</u> organization is filed by the State committee with the Secretary of State pursuant to section 2313 of this chapter. it has filed the material required by this section.

(c) The Secretary of State shall furnish forms for this purpose to the chair of the State committee of a political party.

§ 2308. COMPOSITION OF COUNTY COMMITTEE

(a) The number of delegates to the county committee that each town caucus is entitled to elect shall be apportioned by the State committee, based upon the number of votes cast for the party's candidate for Governor in the last election, provided that each town caucus shall be entitled to elect at least two delegates.

(b) Delegates to the county committee shall be voters of the town, but need not be members of the town committee; they.

(c) <u>Delegates</u> shall serve during the following for two years following their election or until their successors are elected or appointed.

§ 2309. FIRST MEETING OF COUNTY COMMITTEE

(a)(1) The chair of the State committee shall set a date, not more than 45 days after the date of the party's caucuses, for the first meeting of each county committee.

(2) The State chair shall notify the chairs of the county committees of the date of the meeting.

 $(3)(\underline{A})$ The chair of the county committee shall set the hour and place of the meeting and shall notify all delegates-elect by mail or electronic mail not less than 10 days prior to the meeting.

(B) If the chair of the county committee receives notice that a town <u>committee</u> within the county has organized 10 or fewer days before the date of the first meeting of the county committee, the chair <u>must shall</u> notify the newly elected members within 48 hours of receiving notice of the organized town <u>committee</u>.

(b)(1) At the time and place set for the meeting, the delegates shall proceed to elect their officers and perfect an organization of the county committee for the ensuing two years.

(2) All officers and other members of the county committee and all delegates to the State committee shall be voters of the county.

§ 2310. ELECTION OF STATE COMMITTEE

(a)(1) The chair of the county committee shall be a member of the State committee.

(2) Each county committee shall be entitled to elect at least two additional members of the State committee. These delegates need not be members of the county committee.

(3) If the rules or bylaws of a State committee provide for apportionment of additional members of the State committee to come from the county, the county committee also shall elect those additional members.

(b) All county committee members and officers and all persons elected to the State committee shall be voters in the county from which they are elected.

(c) County committee members and delegates to the State committee shall serve for the following two years <u>following their election</u> or until their successors are elected or appointed.

§ 2311. CERTIFICATION OF COUNTY OFFICERS AND STATE COMMITTEE MEMBERS

(a) Within 72 hours of the first meeting of the county committee, its chair and secretary shall mail <u>submit</u> to the Secretary of State and the chair of the State committee a copy of the notice calling the meeting and a certified list of the names, and mailing addresses, phone numbers, and e-mails of the officers of the county committee and of the members elected by the county committee to the State committee.

(b) A committee is not considered organized until it has filed the material required by this section a certificate of organization is filed by the State committee with the Secretary of State pursuant to section 2313 of this chapter.

(c) The Secretary of State shall prescribe and furnish forms for this purpose.

§ 2312. FIRST MEETING OF THE STATE COMMITTEE

(a) The chair of the State committee shall name an hour and place of meeting on a day not less than 15 nor more than 30 days after the day set for the first meeting of the county committee of the party, at which time the members-elect of the State committee shall meet and perfect an organization of the State committee for the ensuing two years.

(b) The chair of the State committee shall notify all members-elect of the State committee in writing, at least seven $\underline{10}$ days before the day set for the meeting.

§ 2313. FILING OF CERTIFICATE OF ORGANIZATION

(a)(1) Within 10 days after the first meeting of the State committee of a party, the chair and secretary shall file in the office of the Secretary of State a certificate stating that the party has completed its organization for the ensuing two years and has substantially complied with the provisions of this chapter.

(2) However, no State committee shall be eligible to file a certificate of organization unless it has town committees organized in at least 30 towns in this State and county committees organized in at least seven counties by January 1 of the year of the general election.

(b) The certificate of organization shall:

(1) set forth the names, and mailing addresses, phone numbers, and emails of the officers and members of the State committee, together with the counties that they represent. It shall also;

(2) contain a listing of the towns and counties in which committees have organized

(3) designate, in not more than three words, the name by which the party shall be identified on any Australian ballot; and shall

(4) be accompanied by a copy of the notice calling the meeting.

* * *

§ 2316. SECRET BALLOT

At every caucus or meeting of a political committee, if there is a contest for nomination, recommendation, or election to any office or position, the vote shall be taken by secret written ballot. [Repealed.]

§ 2317. VOTERS NOT TO PARTICIPATE IN MORE THAN ONE PARTY

No <u>A</u> voter shall <u>not</u> vote in the biennial <u>a</u> town, county, or State caucus of more than one party in the same year <u>12-month period</u>, nor shall any voter simultaneously hold membership on the committees of more than one political party.

* * *

§ 2319. PARTY CONVENTIONS FOR PLATFORMS AND PRESIDENTIAL ELECTIONS

On or before the fourth Tuesday in September in each even-numbered year, upon the call of the chair of the State committee of the party, a party platform convention of each organized political party shall be held to make and adopt the platform of the party. In presidential years, the convention shall be the same convention held to nominate presidential electors.

* * *

* * * Nominations * * *

Sec. 8. 17 V.S.A. chapter 49 is amended to read:

CHAPTER 49. NOMINATIONS

Subchapter 1. Primary Elections

* * *

§ 2353. PETITIONS TO PLACE NAMES ON BALLOT

(a) The name of any person shall be printed upon the primary ballot as a candidate for nomination by any major political party for any the office indicated, if petitions a petition containing the requisite number of signatures made by registered voters, in substantially the following form, are is filed with the proper official, together with the person's written consent to having his or her name printed on the ballot:

* * *

(b)(1) A person's name shall not be listed as a candidate on the primary ballot of more than one party in the same election.

(2) A single petition shall contain only one office for which a person seeks to be a candidate.

(3) A person shall file a separate petition for each office for which he or she seeks to be a candidate.

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§ 2354. SIGNING PETITIONS

(a) Any number of voters may sign the same petition.

(b)(1) A voter's signature shall not be valid unless at the time he or she signs, the voter is registered and qualified to vote for the candidate whose petition he or she signs.

(2) Each voter shall indicate his or her town of residence next to his or her signature.

(c) The signature of a voter on a candidate's petition does not necessarily indicate that the voter supports the candidate. A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case he or she may sign as many petitions as there are nominations to be made for the same office.

(d) A petition shall contain the name of only one candidate.

* * *

§ 2368. CANVASSING COMMITTEE MEETINGS

After the primary election is conducted, the:

(1) The canvassing committee for State and national offices and statewide public questions shall meet at 10 a.m. one week after the day of the election.

(2) The canvassing committee for county offices and, countywide public questions, and State Senator shall meet at 10 a.m. on the third day following the election.

(3) The canvassing committees for local offices and, local public questions, including and State Representative, shall meet at 10 a.m. on the day after the election, except that in the case of canvassing committees for State Representative in multi-town representative districts, the committees shall meet at 10 a.m. on the third day after the election.

§ 2369. DETERMINING WINNER; TIE VOTES

(a) A person who receives a plurality of all the votes cast by a party in a primary shall be a candidate of that party for the office designated on the ballot.

(b)(1) If, after the period for requesting a recount under section 2602 of this title has expired, no candidate has requested a recount and two or more candidates of the same party are tied for the same office, or if the results of any recount result in a tie the choice among those tied shall be determined upon five days' notice and not later than 10 days following the primary

election by the committee of that party, which shall meet to nominate a candidate from among the tied candidates. The committee that nominates a candidate shall be as follows:

(A) the State committee of a party for a State or congressional office;

(B) the senatorial district committee for State Senate;

(C) the county committee for county office; or

(D) the representative district committee for a Representative to the General Assembly.

(2) The committee chair shall certify the candidate nomination for the general election to the Secretary of State within 48 hours of the nomination.

* * *

§ 2370. WRITE-IN CANDIDATES

(a)(1) In order to have votes counted for a write-in candidate under section 2587 of this title, not later than 5:00 p.m. on the Friday preceding the primary election, a write-in candidate shall file with the Secretary of State a form consenting to candidacy for office. The consent form shall set forth the name of the write-in candidate, the name of the office for which he or she consents to be a candidate, the candidate's town of residence, and his or her correct mailing address.

(2) The Secretary of State shall prepare and furnish forms for this purpose.

(b) A write-in candidate shall not qualify as a primary winner unless he or she:

(1) has complied with subsection (a) of this section; and

(2) receives at least one-half the number of votes as the number of signatures required for his or her office on a primary petition, except that if a write-in candidate receives more votes than a candidate whose name is printed on the ballot, he or she may qualify as a primary winner.

(b)(c) The write-in candidate who qualifies as a primary winner under this section must still be determined a winner under section 2369 of this chapter before he or she becomes the party's candidate in the general election.

* * *

Subchapter 3. Independent Candidates

* * *

§ 2403. NUMBER OF CANDIDATES; PARTY NAMES

(a) A statement of nomination shall contain the name of only one candidate, except in the case of presidential and vice presidential candidates, who may be nominated by means of the same statement of nomination. A person shall not sign more than one statement of nomination for the same office.

* * *

Subchapter 4. Miscellaneous Provisions

* * *

§ 2414. CANDIDATES FOR STATE AND LEGISLATIVE OFFICE; DISCLOSURE FORM

* * *

(d)(1) A senatorial district clerk or representative district clerk who receives a disclosure form under this section shall forward a copy of the disclosure to the Secretary of State within three business days of receiving it.

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns he or she receives under this section on his or her official State website. <u>The forms shall remain posted on the Secretary's website until the</u> <u>date of the filing deadline for petition and consent forms for major party</u> <u>candidates for the statewide primary in the following election cycle.</u>

* * *

* * * Election Complaint Procedure * * *

Sec. 9. 17 V.S.A. § 2458 is amended to read:

§ 2458. COMPLAINT PROCEDURE

(a)(1) The Secretary of State shall adopt rules to establish a uniform and nondiscriminatory complaint procedure to be used by any person who believes that a violation of this title or any other provision of Title III of United States Public Law 107-252 52 U.S.C. chapter 209, subchapter III (Uniform and Nondiscriminatory Election Technology and Administration Requirements) has occurred, is occurring, or is about to occur in the course of any election in which a candidate for federal office appears on the ballot.

(b) For purposes of <u>As used in</u> this section, "complaint" shall mean <u>means</u> a statement in writing made by a voter stating, with particularity, the violation, notarized, and sworn or affirmed under penalty of perjury.

(c) The Secretary's rules shall provide for an informal proceeding to hear complaints for all complainants unless a formal hearing is requested. Formal

complaints held pursuant to this section shall be in conformance with the rules adopted by the Secretary.

(d) Any decision of the Secretary may be appealed to the Superior Court in the county where the individual resides.

* * * Conduct of Elections * * *

Sec. 10. 17 V.S.A. § 2473 is amended to read:

§ 2473. PROVISIONS RELATIVE TO PRESIDENTIAL ELECTION

* * *

(c)(1) If a candidate whose name is not printed on the ballot receives the greatest number of votes for President, the Secretary of State shall notify him or her of that fact, and within two weeks thereafter, the candidate shall file with the Secretary of State, a list of freemen and freewomen voters equal to the number of electors that the State is entitled to elect. The list shall be signed by the candidate personally.

(2) The persons so named shall be electors, having the duties prescribed in this title.

Sec. 11. 17 V.S.A. § 2508 is amended to read:

§ 2508. CAMPAIGNING DURING POLLING HOURS; VOTER ACCESS

(a)(1) The presiding officer shall ensure during polling hours on the day of the election that:

(A) within the building containing a polling place, no campaign literature, stickers, buttons, name stamps, information on write-in candidates, or other political materials <u>that display the name of a candidate on the ballot or</u> <u>an organized political party or that demonstrate support or opposition to a</u> <u>question on the ballot</u> are displayed, placed, handed out, or allowed to remain;

(B) within the building containing a polling place, no candidate, election official, or other person distributes election materials, solicits voters regarding an item or candidate on the ballot, or otherwise campaigns; and

(C) on the walks and driveways leading to a building in which a polling place is located, no candidate or other person physically interferes with the progress of a voter to and from the polling place.

(2) The provisions of subdivision (1) of this subsection shall apply to the town clerk's office during any period of early or absentee voting.

(b) During polling hours, the presiding officer shall control the placement of signs on the property of the polling place in a fair manner.

(c) The provisions of this section shall be posted in the notice required by section 2521 of this title chapter.

* * * Early or Absentee Voters * * *

Sec. 12. 17 V.S.A. chapter 51, subchapter 6 is amended to read:

Subchapter 6. Early or Absentee Voters

§ 2531. APPLICATION FOR EARLY VOTER ABSENTEE BALLOT

(a) <u>Deadline to file.</u>

(1)(A) A voter who expects to be an early or absentee voter, or an authorized person on behalf of such voter, may apply for an early voter absentee ballot until 5:00 p.m. or the closing of the town clerk's office on the day preceding the election.

(2)(B) If a town clerk does not have regular office hours on the day before the election and his or her office will not otherwise be open on that day, an application may be filed until the closing of the clerk's office on the last day that office has hours preceding the election.

(2)(A) In cases of emergency, including unanticipated illness or injury, at his or her discretion the town clerk may accept a request for an absentee ballot after the deadline set forth in subdivision (1) of this subsection.

(B) In such cases of emergency, the ballot may be mailed, electronically delivered, or delivered by two justices of the peace as set forth in subsection 2539(b) of this subchapter.

(b) <u>Place of filing</u>.

(1) All applications shall be filed with the town clerk of the town in which the early or absentee voter is registered to vote.

(2) The town clerk shall file written applications and memoranda of verbal applications in his or her office, and shall retain the applications and memoranda for 90 days following the election, at which time they may be destroyed.

(c) <u>Australian ballot</u>. Voting by early voter absentee ballot shall be allowed only in elections using the Australian ballot system.

§ 2532. APPLICATIONS <u>AUTHORIZED APPLICANTS</u>; <u>APPLICATION</u> FORM; DUPLICATES

(a) <u>Authorized applicants.</u>

(1)(A) An early or absentee voter, or an authorized family member or health care provider acting in the voter's behalf, may apply for an early voter

absentee ballot by telephone, in person, or in writing. <u>"Family As used in this subsection, "family member</u>" here means a person's spouse, children, brothers, sisters, parents, spouse's parents, grandparents, and spouse's grandparents.

(B) Any other authorized person may apply in writing or in person; provided, however, that voter authorization to such a person shall not be given by response to a robotic phone call.

(b)(2) Form of application.

(1) The application shall be in substantially the following form:

REQUEST FOR EARLY VOTER ABSENTEE BALLOT

Name of early or absentee voter:

Voter's Town of Residence:

Current physical address (address where you reside):

 Telephone Number:
 E-mail Address:

Date:

I request early voter absentee ballot(s) for the election(s) checked below:

- (1) Annual Town Meeting;
- (2) All other local elections;
- (3) August Primary Election;
- (4) Presidential Primary (YOU MUST SELECT PARTY);
- (5) November General Election;
- (6) All elections in this calendar year.

Please deliver the ballot(s) as indicated below (check one):

(1) Mail to voter at: _____

Street or P.O. Box	Town/City State	Zip Code

(2) Delivery by two Justices of the Peace (this may only be selected if you are ill or if you, injured, or have a physical disability).

If applicant is other than early or absentee voter:

Name of applicant:

Address of applicant:

Relationship to early or absentee voter:

Organization, if applicable:

Date: _____ Signature of applicant: _____

(3)(2) If the application is made by telephone or in writing, the information supplied must <u>shall</u> be in substantial conformance with the information requested on this form.

(b) A person temporarily residing in a foreign country who is eligible to register to vote in this State, or a military service absentee voter who is eligible to register to vote in this State, may apply for early voter absentee ballots in the same manner and within the same time limits that apply for other early or absentee voters. An official federal postcard application shall suffice as a simultaneous request for an application for addition to the checklist and for an early voter absentee ballot, when properly submitted. Any other person also may make a simultaneous request for an application for addition to the checklist and for the checklist and for an early voter absentee ballot.

(c) Simultaneous voter registration.

(1) If a person makes a simultaneous request to register to vote and to apply for an early voter absentee ballot or if the request for an early voter absentee ballot is made for a person who is not yet registered and the request is received by the town clerk receives the request prior to the deadline for requesting to apply for early voter absentee ballots set forth in section 2531 of this chapter subchapter, the town clerk shall mail a blank voter registration application for addition to the checklist, together with a full set of early voter absentee ballots, to that person.

(2) An official federal postcard application shall suffice as a simultaneous application to register to vote and for an early voter absentee ballot.

(3)(A) All such voter registration applications for addition to the checklist that are returned to the town clerk before the close of the polls on election day shall be considered and acted upon by the board of civil authority before the ballots are counted.

(B) If the <u>voter registration</u> application is approved and the <u>voter's</u> name added to the checklist, the early voter absentee ballots cast by that voter shall be treated as other valid early voter absentee ballots.

(d) Application time frame.

(1) An application for an early voter absentee ballot shall be valid for the elections or the time frame specified by the applicant.

(e)(2) A single application shall only be valid for any elections within the same calendar year.

(f) A person residing in a State institution may apply for early voter absentee ballots in the same manner and within the same time limits that apply for other early or absentee voters.

(g)(e) Duplicate early voter absentee ballots.

(1)(A) The town clerk may, upon application, issue a duplicate early voter absentee ballot if the original ballot is not received by the voter within a reasonable period of time after mailing.

(B) The application may be made by a person entitled to apply for an early voter absentee ballot under subsection (a) of this section and shall be accompanied by a sworn statement affirming that the voter has not received the original ballot.

(2) If a duplicate early voter absentee ballot is issued and both the duplicate and original early voter absentee ballots are received before the close of the polls on election day, the ballot with the earlier postmark shall be counted.

(h)(f) Unauthorized applicants.

(1) Any person who applies for an early voter absentee ballot knowing the person is without authorization from the early or absentee voter shall be fined not more than \$100.00 per violation for the first three violations; not more than \$500.00 per violation for the fourth through ninth violations; and not more than \$1,000.00 per violation for the tenth and subsequent violations.

(2) The Attorney General or a State's Attorney, whenever he or she has reason to believe any person to be or to have been in violation of this provision, shall conduct a civil investigation in accordance with the procedures set forth in section 2904 of this title.

* * *

§ 2537. EARLY OR ABSENTEE VOTING IN THE TOWN CLERK'S OFFICE

(a)(1) A voter may, if he or she chooses, apply in person to the town clerk for the early voter absentee ballots and envelopes rather than having them mailed as required by section 2539 of this subchapter.

(2) In this case, the clerk shall furnish the early voter absentee ballots and envelopes when a valid application has been made, or at such time as the clerk receives the ballots, whichever comes first.

(3) The voter may:

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(A) mark his or her ballots, place them in the envelope, sign the certificate, and return the ballots in the envelope containing the certificate to the town clerk or an assistant town clerk without leaving the office of the town clerk₅; or the voter may

 (\underline{B}) take the ballots and return them to the town clerk in the same manner as if the ballots had been received by mail.

(b) No person, except <u>Except for</u> justices of the peace as provided in section 2538 of this subchapter, may <u>a person shall not</u> take any ballot from the town clerk on behalf of any other person.

§ 2538. DELIVERY OF BALLOTS BY JUSTICES OF THE PEACE

(a)(1) In the case of persons who are early or absentee voters due to illness, <u>injury</u>, or <u>physical</u> disability, ballots shall be delivered in the following manner, unless the early or absentee voter has requested pursuant to section 2539 of this <u>title subchapter</u> that the early voter absentee ballots be mailed <u>or</u> electronically delivered.

(2) Not later than three days prior to the election, the board of civil authority or, upon request of the board, the town clerk, shall designate in pairs justices of the peace in numbers sufficient to deliver early voter absentee ballots to the applicants for early voter absentee ballots who have stated in their applications that they are unable to vote in person at the polling place due to illness, injury, or physical disability but who have not requested in their applications that early voter absentee ballots be mailed to them. No <u>A</u> pair shall not consist of two justices from the same political party.

(3) If there shall not be available a sufficient number of justices to make up the required number of pairs, a member of each remaining pair shall be designated by the board, to be selected from lists of registered voters submitted by the chairs of the town committees of political parties, and from among registered voters who in written application to the board state that they are not affiliated with any political party.

(4) No <u>A</u> candidate or spouse, parent, or child of a candidate shall <u>not</u> be eligible to perform the duties prescribed by this section unless the candidate involved is not disqualified by section 2456 of this <u>title chapter</u> from serving as an election official. This shall not prevent a candidate for district office from serving as a justice in another district.

(5) The compensation of justices and voters designated under this subsection shall be fixed by the board of civil authority and shall be paid by the town.

(6) The justices may, but shall not be required to, deliver ballots outside the town.

(b)(1) The town clerk shall divide the list of applicants who have an illness, injury, or physical disability into approximately as many equal parts as there are pairs of justices so designated, having regard to the several parts of the town in which the applicants may be found.

(2) As soon as early voter absentee ballots are available, the clerk shall deliver to each pair of justices one part of the list, together with early voter absentee ballots and envelopes for each applicant.

(3) When justices receive ballots and envelopes prior to election day, they shall receive only the ballots and envelopes they are assigned to deliver on that day.

(c)(1) Each pair of justices on the days they are assigned to deliver the ballots and envelopes shall call upon each of the early or absentee voters whose name appears on the part of the list furnished to them and shall deliver early voter absentee ballots and envelopes to each early or absentee voter.

(2) The early or absentee voter shall then proceed to mark the ballots alone or in the presence of the justices, but without exhibiting them to the justices or to any other person, except that when the early or absentee voter is blind or physically unable to mark his or her ballot ballots, they may be marked by one of the justices in full view of the other.

§ 2539. MAILING <u>DELIVERY</u> OF EARLY VOTER ABSENTEE BALLOTS; VOTERS WHO ARE PERMANENTLY DISABLED

(a) Default; town office or mail.

(1) Unless Except as provided in subsections (b) and (c) of this section, unless the early or absentee voter votes in the town clerk's office as set forth in section 2537 of this subchapter, or unless the justices are to deliver the early voter absentee ballots to the early or absentee voter, the town clerk shall provide to the early or absentee voter who comes to the town clerk's office a complete set of early voter absentee ballots or mail a complete set of early voter absentee ballots to each early or absentee voter for whom a valid application has been filed.

(2) The early voter absentee ballots shall be mailed forthwith upon the filing of a valid application, or upon the town clerk's receipt of the necessary ballots, whichever is later.

(b) <u>Voters who are ill, injured, or have a disability</u>. In the case of persons who are early or absentee voters due to illness, injury, or physical disability, if the voter or authorized person requests in his or her application or otherwise

that early voter absentee ballots be mailed rather than delivered by justices of the peace or electronically delivered, the town clerk shall mail or electronically deliver the ballots; otherwise the ballots shall be delivered to such voters the voter by justices of the peace as set forth in section 2538 of this subchapter. In the case of all other early or absentee voters, the town clerk shall mail the early voter absentee ballots, unless the voter chooses to apply and vote in person at the town clerk's office.

(c) Military or overseas voters.

(1) Early voter absentee ballots to for military or overseas voters shall be sent air mail, first class, postpaid when such service is available, or they may be sent by email electronically delivered when requested by the voter.

(2)(A) The town clerk's office shall be open on the 46th day before any election that includes a federal office and the town clerk shall send on or before that day all absentee ballots to any military or overseas voter who requested an early voter absentee ballot on or before that day.

(B) On that day the town clerk shall complete any reporting requirements and any other responsibilities regarding the mailing of early voter absentee ballots to military or overseas voters, as directed by the Secretary of State.

§ 2540. INSTRUCTIONS TO BE SENT WITH BALLOTS

(a) The town clerk shall send with all early voter absentee ballots and envelopes printed instructions, which may be included on the envelope, in substantially the following form:

INSTRUCTIONS FOR EARLY OR ABSENTEE VOTERS

- 1. Mark the ballots.
- 2. Place them in this envelope.
- 3. Fill out and sign the certificate on the envelope.

4. Mail or deliver the envelope containing the ballots to the town clerk of the town where you are a registered voter in time to arrive not later than election day.

Note: If these ballots have been brought to you personally by two justices of the peace because of your illness, injury or physical disability, just return them to the justices after you have signed the envelope. YOU HAVE THE RIGHT TO MARK YOUR BALLOTS IN PRIVATE - but if you ask for help in filling out the ballots, they will give it to you.

BE SURE TO FILL OUT AND SIGN THE CERTIFICATE ON THIS ENVELOPE OR YOUR VOTE WILL NOT COUNT!

(b) In the case of early absentee voting in a primary, the instructions shall also include appropriate instructions prepared by the Secretary of State for separating and depositing unvoted ballots in a separate envelope provided and clearly marked for that purpose.

§ 2541. MARKING OF BALLOTS

(a) An early or absentee voter to whom ballots, envelopes, and instructions are mailed shall mark the ballots in accordance with the instructions.

(b) When an early or absentee voter is blind or is physically unable to go to the polls to vote in person or to mark his or her ballots, they may be marked by one of the officers who delivers the ballots, in the presence of the other officer. A person who gives assistance to a voter in the marking or registering of ballots shall not in any way divulge any information regarding the choice of the voter or the manner in which the voter's ballot was cast.

(c) If an early or absentee voter makes an error in marking a ballot, the voter may return that ballot by mail or in person to the town clerk and receive another ballot, consistent with the provisions of section 2568 of this title chapter.

* * *

§ 2546b. EARLY VOTING IN TOWN CLERK'S OFFICE; DEPOSIT INTO VOTE TABULATOR

(a)(1) A board of civil authority may vote to permit its town's registered early or absentee voters to vote in the town clerk's office in the same manner as those voting on election day by marking their early voter absentee ballots and depositing them into a vote tabulator.

(2) If a board of civil authority votes to permit early voting as described in subdivision (1) of this subsection, the town's process for conducting this early voting shall conform to the provisions of this section and to guidance that the Secretary of State shall adopt for this purpose.

(b)(1) During business hours in the town clerk's office, the vote tabulator and ballot bin shall be in a secured area accessible only to election officials and voters. The vote tabulator unit shall be secured with an identifiable seal and the ballot box containing voted ballots shall remain locked at all times and secured with an identifiable seal. Neither seal shall be broken prior to the time of closing the polls on election day.

(2) Once early voting has commenced in the town clerk's office, the town clerk or designee shall certify each day in a record prepared for this purpose that the seals on the vote tabulator and ballot box are intact.

(3) When an election official is not present or at times other than business hours, the sealed vote tabulator and ballot box shall be secured in the town clerk's office vault.

(4) The town clerk shall maintain a record of each early or absentee voter who voted in person in accordance with this section.

(c) On the day of the election:

(1) The sealed vote tabulator and sealed ballot boxes shall be transferred to the polling place on election day by two election officials and shall not be opened until the polls have closed on election day.

(2) When the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number of voters who deposited their early voter absentee ballots in the vote tabulator in accordance with this section and any early voter absentee ballots that were processed and deposited in the vote tabulator under section 2546a of this subchapter.

(3) All early voter absentee ballots shall be commingled with those voted at the polls on election day prior to being examined for the purpose of identifying write-in votes.

§ 2547. DEFECTIVE BALLOTS

(a) If upon examination by the election officials it shall appear that any of the following defects is present, either the ballot or the unopened certificate envelope shall be marked "defective" and the ballot shall not be counted:

(1) the <u>identity of the early or absentee voter cannot be determined;</u>

(2) the early or absentee voter is not legally qualified to vote;

(2)(3) the early or absentee voter has voted in person <u>or previously</u> returned a ballot in the same election;

(3) the affidavit on the certificate envelope is not completed;

(4) the certificate is not signed;

(5) the voted ballot is not in the certificate envelope; or

(6) in the case of a primary vote, the early or absentee voter has failed to return the unvoted primary ballots.

(b) Each defective ballot or unopened certificate envelope shall be:

(1) affixed with a note from the presiding officer indicating the reason it was determined to be defective;

(2) placed with other such defective ballots in an envelope marked "Defective Ballots - Voter Checked Off Checklist - Do Not Count"; and

(3) returned in that envelope to the town clerk in the manner prescribed by section 2590 of this title chapter.

(c) The provisions of this section shall be indicated prominently in the early or absentee voter material prepared by the Secretary of State.

* * *

* * * Process of Voting; Count and Return of Votes * * *

Sec. 13. 17 V.S.A. § 2568 is amended to read:

§ 2568. REMOVING BALLOTS FROM POLLING PLACE; REPLACEMENT, BLANK, AND UNUSED BALLOTS

(a) Removing ballots from polling place. A person shall not take or remove a ballot from the polling place before the close of the polls.

(b) Replacement ballots.

* * *

(c) Unused ballots. Ballots originally delivered to the presiding officer that remain undistributed to the voters shall be preserved and returned to the town clerks, and the clerk shall preserve them in such condition, unless called for by some authority entitled to demand and receive them. After 90 days from the date the election is held following the election, they may be destroyed or distributed by the town clerk for educational purposes or for any other purpose the town clerk deems appropriate.

Sec. 14. 17 V.S.A. § 2587 is amended to read:

§ 2587. RULES FOR COUNTING VOTES

* * *

(e)(1) In Except as provided in this subsection, in the case of "write-in" votes, the act of writing in the name of a candidate, or pasting a label containing a candidate's name upon the ballot, without other indications of the voter's intent, shall constitute a vote for that candidate, even though the voter did not fill in the square or oval after the name.

(2)(A) A vote for a write-in candidate shall be counted as an "undeclared write-in" unless the write-in candidate filed with the Secretary of State not later than 5:00 p.m. on the Friday preceding the general election a form consenting to candidacy for that office. The consent form shall set forth the name of the candidate, the name of the office for which he or she consents to be a candidate, the candidate's town of residence, and his or her correct mailing address.

(B) The Secretary of State shall prepare and furnish forms for this purpose.

(3) The election officials counting ballots and tallying results shall <u>only</u> list every person those write-in candidates who receives received a "write-in" vote and who complied with subdivision (2) of this subsection, and the number of votes received.

(A) On each tally sheet, the counters shall add together the names of candidates that are clearly the same person, even though a nickname or last name is used.

(B) Names of fictitious or deceased persons shall not be listed and shall be recorded on the tally sheet as a blank vote.

* * *

* * * Recounts * * *

Sec. 15. 17 V.S.A. § 2601 is amended to read:

§ 2601. RECOUNT THRESHOLD

(a)(1) In an election for <u>federal office</u>, statewide office, county office, or State Senator, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is two percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

(2) In an election for State Representative, if the difference between the number of votes cast for a winning candidate and the number of votes cast for a losing candidate is five percent or less of the total votes cast for all the candidates for an office, divided by the number of persons to be elected, that losing candidate shall have the right to have the votes for that office recounted.

(b) In the case of a recount for a local election, the threshold and procedures for conducting the recount shall be as provided in chapter 55, subchapter 3 of this title.

Sec. 16. 17 V.S.A. § 2602k is amended to read:

§ 2602k. RECOUNT TIES

(a)(1) If a recount of a primary election results in a tie, the provisions of subsection 2369(b) of this title shall apply.

(2) If a recount of a public question results in a tie, a runoff election shall not be held, and the question shall be certified not to have passed.

(3) If the <u>a</u> recount <u>of a general election</u> results in a tie, the <u>provisions of</u> this section shall apply, and the court shall order a runoff election to be held, within three weeks of the recount, on a date set by the court.

(b) The only candidates who shall appear on the ballot at the runoff election shall be those who tied in the previous election.

(c) The runoff election shall be considered a separate election for the purpose of voter registration under chapter 43 of this title.

(d) If the recount confirms a tie as to any public question, a runoff election shall not be held, and the question shall be certified not to have passed. [Repealed.]

(e) Warnings for a runoff election shall be posted as required by subchapter 5 of this chapter, except that the warnings shall be posted not less than 10 days before the runoff election.

(f) The conduct of a runoff election shall be as provided in this chapter for general elections.

* * * Special Election for Congressional Vacancies * * *

Sec. 17. 17 V.S.A. § 2621 is amended to read:

§ 2621. VACANCY IN OFFICE OF U.S. SENATOR OR REPRESENTATIVE

(a) If a vacancy occurs in the office of U.S. Senator or U.S. Representative, the Governor shall call a special election to fill the vacancy. His or her proclamation shall specify a day for the special election and a day for a special primary, pursuant to section 2352 of this title.

(b) The special election shall be held not more than three <u>six</u> months from the date the vacancy occurs, except that if the vacancy occurs within six months of a general election, the special election may be held the same day as the general election <u>provided the ballots for the special election are able to</u> be distributed by the deadline set forth in section 2479 of this title.

* * * Local Elections * * *

Sec. 18. 17 V.S.A. § 2681 is amended to read:

§ 2681. NOMINATIONS; PETITIONS; CONSENTS

(a)(1)(A) Nominations of the municipal officers shall be by petition. The petition shall be filed with the municipal clerk, together with the endorsement, if any, of any party or parties in accordance with the provisions of this title, not later than 5:00 p.m. on the sixth Monday preceding the day of the election, which shall be the filing deadline.

* * *

(3) A petition shall contain the name of only one candidate, and the candidate's name shall appear on the petition as it does on the voter checklist. A voter shall not sign more than one petition for the same office, unless more than one nomination is to be made, in which case the voter may sign as many petitions as there are nominations to be made for the same office.

* * *

* * * Voting on Town Manager Form of Governance * * *

Sec. 19. 24 V.S.A. chapter 37 is amended to read:

CHAPTER 37. TOWN, CITY, OR VILLAGE MANAGERS

* * *

§ 1241. PETITION; WARNING

When voters, in number equal to five percent of the legal registered voters in town, petition the selectboard therefor in writing to adopt or rescind the town manager form of governance, the warning for the annual or special meeting which that shall be called upon such petition shall contain an article in substantially the following form set forth in section 1243 of this chapter: "To see if the town will vote to take advantage of the provisions of chapter 37 of Title 24 of the Vermont Statutes Annotated and authorize the selectboard to employ a town manager."

* * *

§ 1243. METHOD OF VOTING

When the question of the adoption or rejection of <u>A town may vote at an</u> annual or special meeting to adopt or rescind the provisions of this chapter is submitted to a meeting wherein the Australian ballot system is used for the election of officers, there. <u>A vote on the question</u> shall be printed upon the ballots below the list of candidates the following question in substantially the following form:

""Will <u>Shall</u> the [town <u>name</u>] vote to take advantage of [adopt/rescind] the town manager form of governance in accordance with the provisions of chapter 37 of Title 24 of the Vermont Statutes Annotated and authorize the selectboard to employ a town manager?"

Yes [] No []

And the voter shall make a cross or X in the blank space against the answer he or she desires to give concerning such question. The ballots shall be counted forthwith by the board of civil authority and the result announced by the presiding officer. * * *

* * * Campaign Finance; Reporting Dates * * *

Sec. 20. 17 V.S.A. § 2964 is amended to read:

§ 2964. CAMPAIGN REPORTS; CANDIDATES FOR STATE OFFICE, THE GENERAL ASSEMBLY, AND COUNTY OFFICE; POLITICAL COMMITTEES; POLITICAL PARTIES

(a)(1) Each candidate for State office, the General Assembly, or a twoyear-term county office who has rolled over any amount of surplus into his or her new campaign or who has made expenditures or accepted contributions of \$500.00 or more during the two-year general election cycle and, except as provided in subsection (b) of this section, each political committee that has not filed a final report pursuant to subsection 2965(b) of this chapter, and each political party required to register under section 2923 of this chapter shall file with the Secretary of State campaign finance reports as follows:

(A) in the first year of the two-year general election cycle, on July $15 \underline{1}$; and

(B) in the second year of the two-year general election cycle:

(i) on March 15;

(ii) on July $15 \underline{1}$ and August $15 \underline{1}$;

(iii) on September 1;

(iv) on October 1, October 15, and the Friday before the general election; and

(v) two weeks after the general election.

(2) Each candidate for a four-year-term county office who has rolled over any amount of surplus into his or her new campaign or who has made expenditures or accepted contributions of \$500.00 or more during the fouryear general election cycle shall file with the Secretary of State campaign finance reports as follows:

(A) in the first three years of the four-year general election cycle, on July $15 \underline{1}$; and

(B) in the fourth year of the four-year general election cycle:

- (i) on March 15;
- (ii) on July <u>15 1</u> and August <u>15 1</u>;
- (iii) on September 1;

(iv) on October 1, October 15, and the Friday before the general election; and

(v) two weeks after the general election.

* * *

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

This act shall take effect on July 1, 2019, except that:

(1) this section and Sec. 20, 17 V.S.A. § 2964 (campaign finance reports), shall take effect on passage; and

(2) in Sec. 12, 17 V.S.A. chapter 51, subchapter 6 (early or absentee voters), § 2546b (early voting in town clerk's office; deposit into vote tabulator) shall take effect on July 1, 2020, except that the Secretary of State shall adopt the guidelines described in subdivision (a)(2) of that section on or before January 1, 2020.

And that when so amended the bill ought to pass.

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

<u>First</u>: In Sec. 8, 17 V.S.A. chapter 49 (nominations), by striking out § 2370 (write-in candidates) in its entirety.

<u>Second</u>: By striking out Sec. 14, 17 V.S.A. § 2587 (rules for counting votes) in its entirety and inserting in lieu thereof the following: [Deleted.]

Which was agreed to.

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

Bills Passed

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

S. 12. An act relating to the State Energy Management Program.

S. 83. An act relating to prohibiting agreements that prevent an employee from working for the employer following the settlement of a discrimination claim.

S. 108. An act relating to employee misclassification.

S. 154. An act relating to miscellaneous banking provisions.

Third Reading Ordered

S. 68.

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

An act relating to Indigenous Peoples' Day.

Reported that the bill ought to pass.

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

Bill Amended; Third Reading Ordered

S. 7.

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

An act relating to the evaluation of social service integration with accountable care organizations.

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

Sec. 1. REPORT; INTEGRATION OF SOCIAL SERVICES

On or before November 1, 2020, the Agency of Human Services, in collaboration with the Green Mountain Care Board, shall submit to the House Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare a plan to coordinate the financing and delivery of Medicaid Behavioral Health Services and Medicaid Home- and Community-Based Services with the All-Payer Financial Target Services.

Sec. 2. REPORT; EVALUATION OF SOCIAL SERVICE INTEGRATION WITH ACCOUNTABLE CARE ORGANIZATIONS

On or before September 1, 2019, the Green Mountain Care Board shall submit a report to the House Committees on Health Care and on Human Services and to the Senate Committee on Health and Welfare evaluating the manner and degree to which social services, including services provided by the parent-child center network; designated and specialized service agencies; and home health and hospice agencies are integrated into accountable care organizations (ACOs) certified pursuant to 18 V.S.A. § 9382. The evaluation shall address:

(1) the number of social service providers receiving payments through one or more ACOs, if any, and for which services;

(2) the extent to which any existing relationships between social service providers and one or more ACOs address childhood trauma or resilience building; and

(3) recommendations to enhance integration between social service providers and ACOs, if appropriate.

Sec. 3. 33 V.S.A. § 3403 is amended to read;

§ 3403. DIRECTOR OF TRAUMA PREVENTION AND RESILIENCE DEVELOPMENT

* * *

(b) The Director shall:

(1) provide advice and support to the Secretary of Human Services and facilitate communication and coordination among the Agency's departments with regard to childhood adversity, toxic stress, and the promotion of resilience building;

(2) collaborate with both community and State partners, including the Agency of Education and the Judiciary, to build consistency between traumainformed systems that address medical and social service needs and serve as a conduit between providers and the public;

(3) provide support for and dissemination of educational materials pertaining to childhood adversity, toxic stress, and the promotion of resilience building, including to postsecondary institutions within Vermont's State College System and the University of Vermont and State Agricultural College;

(4) coordinate with partners inside and outside State government, including the Child and Family Trauma Work Group;

(5) evaluate the statewide system, including the work of the Agency and the Agency's grantees and community contractors, that addresses resilience and trauma-prevention;

(6) evaluate, in collaboration with the Department for Children and Families and providers addressing childhood adversity prevention and resilience building services, strategies for linking pediatric primary care with the parent-child center network and other social services; and

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

(8) serve as a resource in ensuring new models used by community social service providers are aligned with the State's goals for trauma-informed prevention and resilience.

Sec. 4. REPORT; SOCIAL SERVICE PROVIDER AND PEDIATRIC PRIMARY CARE PARTNERSHIP

On or before October 1, 2019, the Director of Trauma Prevention and Resilience Development established pursuant to 33 V.S.A. § 3403 and the Director of Maternal and Child Health shall submit a report to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare, in consultation with stakeholders, assessing:

(1) the model in which a social service provider is embedded within a pediatric primary care practice, including recommendations for the further development and expansion of this model in coordination with any proposals for reform resulting from the CHINS review conducted pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. C.106; and

(2) the Strong Families Sustained Home Visiting Programs.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

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

An act relating to social service integration with Vermont's health care system.

And that when so amended the bill ought to pass.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Health and Welfare?, Senator Lyons moved to amend the recommendation of the Committee on Government Operations as follows:

<u>First</u>: By striking out Sec. 1 in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. REPORT; INTEGRATION OF SOCIAL SERVICES

(a) On or before November 1, 2020, the Agency of Human Services, in collaboration with the Green Mountain Care Board, shall submit to the House

Committees on Appropriations, on Health Care, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare a plan to coordinate the financing and delivery of Medicaid Behavioral Health Services and Medicaid Home- and Community-Based Services with the All-Payer Financial Target Services.

(b) On or before January 15, 2020, the Agency shall provide an interim status presentation to the House Committees on Health Care and on Human Services and the Senate Committee on Health and Welfare, including an update on the Agency's progress, the process for the plan's development, and the identities of any stakeholders with whom the Agency has consulted.

<u>Second</u>: By inserting a new section to be numbered Sec. 2a to read as follows:

Sec. 2a. 18 V.S.A. § 9382 is amended to read:

§ 9382. OVERSIGHT OF ACCOUNTABLE CARE ORGANIZATIONS

* * *

(b)(1) The Green Mountain Care Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to establish standards and processes for reviewing, modifying, and approving the budgets of ACOs with 10,000 or more attributed lives in Vermont. To the extent permitted under federal law, the Board shall ensure the rules anticipate and accommodate a range of ACO models and sizes, balancing oversight with support for innovation. In its review, the Board shall review and consider:

* * *

(N) the effect, if any, of Medicaid reimbursement rates on the rates for other payers; and

(O) the extent to which the ACO makes its costs transparent and easy to understand so that patients are aware of the costs of the health care services they receive; and

(P) The extent to which the ACO provides resources to primary care practices to ensure that care coordination and community services, such as mental health and substance use disorder counseling that are provided by community health teams are available to patients without imposing unreasonable burdens on primary care providers or on ACO member organizations.

* * *

Which was agreed to.

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

Bills Amended; Third Readings Ordered

S. 30.

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

An act relating to the regulation of hydrofluorocarbons.

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

Sec. 1. 10 V.S.A. § 586 is added to read:

§ 586. REGULATION OF HYDROFLUOROCARBONS

(a) As used in this section:

(1) "Class I substance" and "class II substance" mean those substances listed in the 42 U.S.C. § 7671a, as it read on November 15, 1990 and Appendix A or B of Subpart A of 40 C.F.R. Part 82, as those read on January 3, 2017.

(2) "Hydrofluorocarbon" means a class of greenhouse gases that are saturated organic compounds containing hydrogen, fluorine, and carbon and are used primarily in refrigeration, air-conditioning equipment, foam expansion agents, aerosol propellants, solvents, and fire suppressants.

(3) "Residential consumer refrigeration product" has the same meaning as in Section 430.2 of Subpart A of 10 C.F.R. Part 430.

(4) "Substitute" means a chemical, product substitute, or alternative manufacturing process, whether new or retrofit, that is used to perform a function previously performed by a class I substance or class II substance and any substitute subsequently adopted to perform that function, including hydrofluorocarbons.

(b)(1) The use of class I substances and class II substances as set forth in 42 U.S.C. §§ 7671a and 7671k, as those read on November 15, 1990, or any substitute as set forth in Appendix U and Appendix V of Subpart G of 40 C.F.R. Part 82, as those read on January 3, 2017, is prohibited, except as otherwise provided by in subdivision (3) of this section.

(2) If the U.S. Environmental Protection Agency approves a previously prohibited hydrofluorocarbon blend for foam blowing pursuant to the Significant New Alternatives Policy Program, adopted pursuant to Section <u>7671k of the federal Clean Air Act (42 U.S.C. § 7401 et seq.), the Secretary</u> shall expeditiously adopt rules pursuant to this section.

(3)(A) Prohibitions on residential consumer refrigeration products, except compact and built-in residential consumer refrigeration products, shall take effect January 1, 2022.

(B) Prohibitions on built-in residential consumer refrigeration products shall take effect on January 1, 2023.

(c) The Secretary may adopt rules that include any of the following:

(1) The modification of the deadlines of a prohibition established pursuant to this subsection if the Secretary determines that the modified deadline meets both of the following:

(A) reduces the overall risk to human health or the environment; and

(B) reflects the earliest date that a substitute is currently or potentially available.

(2) The prohibition on the use of any substitute if the Secretary determines that the prohibition meets both of the following criteria:

(A) reduces the overall risk to human health or the environment; and

(B) a lower-risk substitute is currently or potentially available.

(3) The creation of a list of approved substitutes, use conditions, or use limits, if any, and the addition or removal of substitutes, use conditions, or use limits to or from the list of approved substitutes if the Secretary determines those substitutes reduce the overall risk to human health and the environment.

(d) A person shall not offer any equipment or product for sale, lease, rent, or otherwise cause any equipment or product to enter into commerce in Vermont if that equipment or product uses or will use a substitute in a manner inconsistent with any of the following:

(1) any prohibitions in subsection (b) of this section;

(2) any prohibitions, use conditions, or use limits in subsection (c) of this section or rule; or

(3) any other applicable laws.

Sec. 2. ADOPTION OF RULES AND REPORT

(a) On or before July 1, 2020, the Secretary of Natural Resources shall file with the Secretary of State proposed rules to implement 10 V.S.A. § 586. The rules shall establish a schedule to phase down the use of hydrofluorocarbons to meet the goal of a 40 percent reduction from the 2013 level of use by 2030.

(b) On or before January 15, 2020, the Secretary of Natural Resources shall submit a report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology on progress in filing proposed rules to implement 10 V.S.A. § 586 and any delays in such rulemaking.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

S. 31.

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

An act relating to requiring hospitals to provide certain financial information to patients and prohibiting surprise billing for emergency medical services.

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

Sec. 1. 18 V.S.A. § 1852 is amended to read:

§ 1852. PATIENTS' BILL OF RIGHTS; ADOPTION

(a) The General Assembly hereby adopts the "Bill of Rights for Hospital Patients" as follows:

* * *

(12) The patient has the right to receive an itemized, detailed, and understandable explanation of charges, regardless of the source of payment, and to be provided with information about:

(A) health care prices;

(B) financial assistance; and

(C) billing and collections practices.

* * *

Sec. 2. PRICE TRANSPARENCY; BILLING PROCESSES; REPORT

(a) Building on its efforts pursuant to 2015 Acts and Resolves No. 54, Sec. 21, the Green Mountain Care Board, in consultation with interested stakeholders, shall examine health care price transparency initiatives in other states to identify possible options for making applicable health care pricing information readily available to consumers of health care services in this State to help inform their health care decision making.

(b) The Green Mountain Care Board, in consultation with interested stakeholders, shall consider and provide recommendations regarding potential financial procedures for health care services that would coordinate processes between hospitals and payers without requiring the patient's involvement and would provide patients who receive hospital services with a single, comprehensive bill that reflects the patient's entire, actual financial obligation.

(c) On or before November 15, 2019, the Green Mountain Care Board shall provide its findings and recommendations pursuant to subsections (a) and (b) of this section to the House Committee on Health Care, the Senate Committees on Health and Welfare and on Finance, and the Health Reform Oversight Committee.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

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

An act relating to informed health care financial decision making.

And that when so amended the bill ought to pass.

Senator Ashe Assumes the Chair

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

S. 53.

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

An act relating to increasing the proportion of health care spending allocated to primary care.

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

Sec. 1. PRIMARY CARE; FINDINGS

The General Assembly finds that:

(1) Primary care, especially care that incorporates mental health and substance use disorder services, is critical for sustaining a productive community.

(2) Primary care provides a setting in which patients can present a wide range of health problems for appropriate attention and, in most cases, can expect that their problems will be resolved without referral.

(3) Primary care providers and practices assist patients in navigating the health care system, including by providing referrals to other health care providers for appropriate services.

(4) Primary care providers and practices facilitate an ongoing relationship between patients and clinicians and foster participation by patients in shared decision-making about their health and their care.

(5) Primary care provides opportunities for disease prevention, health promotion, and early detection of health conditions.

(6) Primary care helps build bridges between personal health care services and patients' families and communities that can assist in meeting patients' health care needs.

(7) In order to maximize the benefits of comprehensive primary care, it is essential to maintain consistent, targeted investment over time.

Sec. 2. DEFINITION OF PRIMARY CARE; SPENDING ON PRIMARY CARE; REPORTS

(a) The purpose of this section is to determine the percentage of health care spending that is currently allocated to primary care in order to target any appropriate increases to that percentage.

(b) The Green Mountain Care Board and the Department of Vermont Health Access shall jointly identify, in consultation with health insurers, hospitals, federally qualified health centers, accountable care organizations, primary care providers, other health care professionals, and other interested stakeholders:

(1) the categories of health care professionals who should be considered primary care providers when the services they deliver primarily constitute primary care services, as determined pursuant to subdivision (2) of this subsection;

(2) the specific procedure codes that should be considered primary care services when billed by a primary care provider, as determined pursuant to subdivision (1) of this subsection;

(3) the categories of non-claims-based payments to primary care providers and practices, such as payments to Blueprint for Health community health teams, bundled payments, and value-based payments, that should be included when determining the total amount spent on primary care; and

(4) the ways in which these categories and codes are consistent with or differ from the categories and codes of direct and indirect primary care expenditures used by other states to determine their primary care spending and used to determine any national estimates of primary care spending.

(c)(1) Using the categories and codes determined pursuant to subsection (b) of this section, the Green Mountain Care Board and the Department of Vermont Health Access shall determine the percentage of total spending that was allocated to primary care by each of the following in the most recent complete calendar year for which information is available:

(A) each health insurer with 500 or more covered lives for comprehensive, major medical health insurance in this State;

(B) Vermont Medicaid;

(C) the State Employees' Health Benefit Plan;

(D) health benefit plans offered pursuant to 24 V.S.A. § 4947 to entities providing educational services; and

(E) the entire Vermont health care system, to the extent data are available.

(2)(A) The Green Mountain Care Board shall use information from the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) to the extent available in determining the percentages required in subdivision (1) of this subsection.

(B) Each entity listed in subdivisions (1)(A)–(D) of this subsection shall provide to the Green Mountain Care Board the entity's non-claims-based primary care expenditures for the most recent complete calendar year for which information is available.

(C) The entities listed in subdivisions (1)(A)–(D) of this subsection, and any other entity with relevant data, shall provide pertinent information in response to all reasonable requests from the Green Mountain Care Board and the Department of Vermont Health Access.

(d) On or before January 15, 2020, the Green Mountain Care Board and the Department of Vermont Health Access shall report to the House Committee on Health Care, to the Senate Committees on Health and Welfare and on Finance, and to each entity listed in subdivisions (c)(1)(A)-(D) of this section:

(1) the percentage of total health care spending that the Board and the Department determined each entity and, to the extent data are available, the health care system as a whole, allocated to primary care pursuant to subsection (c) of this section;

(2) a comparison between the percentages described in subdivision (1) of this subsection and available state and national benchmarks of spending on primary care, including states with demographics comparable to Vermont's;

(3) a comparison between the percentages described in subdivision (1) of this subsection and existing projections of changes in primary care spending in Vermont through 2022 under the all-payer model, as defined in 18 V.S.A. <u>§ 9551; and</u>

(4) an analysis of the potential impacts of different methods of achieving increases in primary care spending in future years on:

(A) health outcomes;

(B) patient satisfaction;

(C) patient access to and the availability of primary, specialty, mental health, and tertiary care services; and

(D) Vermont's progress in implementing the all-payer model.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

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

An act relating to determining the proportion of health care spending allocated to primary care.

And that when so amended the bill ought to pass.

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

S. 105.

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

An act relating to miscellaneous judiciary procedures.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following: Sec. 1. 3 V.S.A. § 163 is amended to read:

§ 163. JUVENILE COURT DIVERSION PROJECT

* * *

(c) All diversion projects receiving financial assistance from the Attorney General shall adhere to the following provisions:

* * *

(4) Each State's Attorney, in cooperation with the <u>Attorney General and</u> the diversion project program, shall develop clear criteria for deciding what types of offenses and offenders will be eligible for diversion; however, the State's Attorney shall retain final discretion over the referral of each case for diversion. The provisions of 33 V.S.A. § 5225(c) and § 5280(e) shall apply.

* * *

(j) Notwithstanding subdivision (c)(1) of this section, the diversion program may accept cases pursuant to 33 V.S.A. § 5225 and § 5280.

Sec. 2. 3 V.S.A. § 164 is amended to read:

§ 5169. ADULT COURT DIVERSION PROGRAM

* * *

(e) All adult court diversion programs receiving financial assistance from the Attorney General shall adhere to the following provisions:

The diversion program shall accept only persons against whom (1)charges have been filed and the court has found probable cause, but are not yet adjudicated. The prosecuting attorney may refer a person to diversion either before or after arraignment and shall notify in writing the diversion program and the court of his or her intention to refer the person to diversion. The matter shall become confidential when notice is provided to the court, except that for persons who are subject to conditions of release imposed pursuant to 13 V.S.A. § 7554, the matter shall become confidential upon the successful completion of diversion. If a person is charged with a qualifying crime as defined in 13 V.S.A. § 7601(4)(A) and the crime is a misdemeanor, the prosecutor shall provide the person with the opportunity to participate in the court diversion program unless the prosecutor states on the record at arraignment or a subsequent hearing why a referral to the program would not serve the ends of justice. If the prosecuting attorney refers a case to diversion, the prosecuting attorney may release information to the victim upon a showing of legitimate need and subject to an appropriate protective agreement defining the purpose for which the information is being released and in all other respects maintaining the confidentiality of the information; otherwise, files held by the court, the prosecuting attorney, and the law enforcement agency related to the charges shall be confidential and shall remain confidential unless:

(A) the diversion program declines to accept the case;

(B) the person declines to participate in diversion;

(C) the diversion program accepts the case, but the person does not successfully complete diversion; or

(D) the prosecuting attorney recalls the referral to diversion.

* * *

(m) Notwithstanding subdivision (e)(1) of this section, the diversion program may accept cases pursuant to 33 V.S.A. §§ 5225 and 5280.

Sec. 3. 4 V.S.A. § 27b is added to read:

§ 27b. ELECTRONICALLY FILED VERIFIED DOCUMENTS

(a) A registered electronic filer in the Judiciary's electronic document filing system may file any document that would otherwise require the approval or verification of a notary by filing the document with the following language inserted above the signature and date:

<u>I declare that the above statement is true and accurate to the best of my</u> <u>knowledge and belief.</u> <u>I understand that if the above statement is false, I will</u> <u>be subject to the penalty of perjury.</u>

(b) A document filed pursuant to subsection (a) of this section shall not require the approval or verification of a notary.

(c) This section shall not apply to an affidavit in support of a search warrant application or to an application for a nontestimonial identification order.

Sec. 4. 13 V.S.A. § 2904 is amended to read:

§ 2904. FALSE SWEARING; FALSE DECLARATION

(a) A person of whom an oath is required by law, who willfully swears falsely in regard to any matter or thing respecting which such oath is required, shall be guilty of perjury and punished as provided in section 2901 of this title.

(b) A person who declares, certifies, or verifies in a signed writing that a statement is true and is made under the pains and penalties of perjury, and who willfully makes a false statement in the declaration, certification, or verification, shall be guilty of perjury and punished as provided in section 2901 of this title.

Sec. 5. 13 V.S.A. § 11a is amended to read:

§ 11a. VIOLENT CAREER CRIMINALS

(a) The State may elect to seek the substitute penalty provided for in this section against a person who, after having been two times convicted within this State of a felony crime of violence, or under the law of any other state, government, or country, of a crime which, if committed in this State would be a felony crime of violence, is convicted of a third felony crime of violence within this State.

(b) If the State seeks a substitute penalty for one of the offenses enumerated in subsection (d) of this section, it shall give notice to the person by filing an information seeking the penalty contained in this section.

(c) A person charged under this section shall be sentenced upon conviction of such third or subsequent offense to imprisonment up to and including life.

(d) As used in this section, "felony crime of violence" shall mean the following crimes:

(1) arson causing death as defined in section 501 of this title;

(2) assault and robbery with a dangerous weapon as defined in subsection 608(b) of this title;

(3) assault and robbery causing bodily injury as defined in subsection 608(c) of this title;

(4) aggravated assault as defined in section 1024 of this title;

(5) murder as defined in section 2301 of this title;

(6) manslaughter as defined in section 2304 of this title;

(7) kidnapping as defined in section 2405 of this title or its predecessor as it was defined in section 2401 of this title;

(8) maiming as defined in section 2701 of this title;

(9) sexual assault as defined in subdivision 3252(a)(1) or (2) of this title or its predecessor as it was defined in section 3201 of this title;

(10) aggravated sexual assault as defined in section 3253 of this title;

(11) first degree unlawful restraint as defined in section 2407 of this title;

(12) first degree aggravated domestic assault as defined in section 1043 of this title where the defendant causes serious bodily injury to another person;

(13) lewd or lascivious conduct with a child as defined in section 2602 of this title where the child is under the age of 13 years and the defendant is 18 years of age or older.

(e) Notwithstanding any other provision of law to the contrary, the court shall not place on probation or suspend the sentence of any person sentenced under this section. No person who receives a minimum sentence under this section shall be eligible for early release or furlough until the expiration of the minimum sentence.

(f) For the purposes of this section, multiple convictions that arise out of the same criminal transaction are to be treated as one conviction. [Repealed.]

Sec. 6. 13 V.S.A. § 362 is amended to read:

§ 362. EXPOSING POISON ON THE LAND

A person who deposits any poison or substance poisonous to animals on his or her premises or on the <u>premise premises</u> or buildings of another, with the intent that it be taken by an animal, shall be in violation of subdivision 352(2) of this title. This section shall not apply to control of wild pests, protection of crops from insects, mice, and plant diseases, or the Department of Fish and Wildlife and employees and agents of the State Forest Service in control of destructive wild animals.

Sec. 7. 13 V.S.A. § 397 is amended to read:

§ 397. ADMINISTRATIVE PENALTY

In addition to the forfeiture of any award, premium, or trophy otherwise due, and in addition to other penalties provided by law, a person violating this chapter may be assessed an administrative penalty in an amount not to exceed \$1,000.00 by the Secretary. The Secretary shall utilize the provisions of 6 V.S.A. §§ 16 and 17 for purposes of assessing the penalty.

Sec. 8. 13 V.S.A. § 508 is amended to read:

§ 508. SETTING FIRES

A person who enters upon lands of another and sets a fire that causes damage shall be imprisoned not more than 60 days nor less than 30 days, or fined not more than \$100.00 nor less than \$10.00, or both. The provisions of this section shall not affect the provisions of sections section 507 and 3906 of this title.

Sec. 9. 13 V.S.A. § 1501 is amended to read:

§ 1501. ESCAPE AND ATTEMPTS TO ESCAPE

(a) A person who, while in lawful custody:

(1) escapes or attempts to escape from any correctional facility or a local lockup shall be imprisoned for not more than 10 years or fined not more than \$5,000.00, or both; or

(2) escapes or attempts to escape from an officer, if the person was in custody as a result of a felony, shall be imprisoned for not more than 10 years or fined not more than \$5,000.00, or both; or if the person was in custody as a result of a misdemeanor, shall be imprisoned for not more than two years, or fined not more than \$1,000.00, or both.

(b)(1) A person shall not, while in lawful custody:

(A) fail to return from work release to the correctional facility at the specified time, or visits other than the specified place, as required by the order issued in accordance with 28 V.S.A. § 753;

(B) fail to return from furlough to the correctional facility at the specified time, or visits other than the specified place, as required by the order issued in accordance with 28 V.S.A. § 808, 808a, 808b, or 808e 28 V.S.A. § 808(a)(1)-(5);

(C) escape or attempt to escape while on release from a correctional facility to do work in the service of such facility or of the Department of Corrections in accordance with 28 V.S.A. \S 758; or

(D) elope or attempt to elope from the Vermont Psychiatric Care Hospital or a participating hospital, when confined by court order pursuant to chapter 157 of this title, or when transferred there pursuant to 28 V.S.A. § 703 and while still serving a sentence.

(2) A person who violates this subsection shall be imprisoned for not more than five years or fined not more than \$1,000.00, or both.

(3) It shall not be a violation of subdivision of (1)(A), (1)(B), or (1)(C)of this subsection (b) if the person is on furlough status pursuant to 28 V.S.A. §§ 808(a)(6), 808(e), 808(f), 808a, 808b, or 808c.

(c) All sentences imposed under subsection (a) of this section shall be consecutive to any term or sentence being served at the time of the offense.

* * *

Sec. 10. 28 V.S.A. § 808e is added to read:

§ 808e. ABSCONDING FROM FURLOUGH; WARRANT

The Commissioner of Corrections may issue a warrant for the arrest of a person who has absconded from furlough status in violation of 28 V.S.A. §§ 808(a)(6), 808(e), 808(f), 808a, 808b, or 808c, requiring the person to be

returned to a correctional facility. A person for whom an arrest warrant is issued pursuant to this section shall not earn credit toward service of his or her sentence for any days that the warrant is outstanding.

Sec. 11. 13 V.S.A. § 1504 is amended to read:

§ 1504. PLACE OF CONFINEMENT CONSTRUED

The words "place of confinement" as used in sections 1502 and 1503 of this title shall not be construed to include the Weeks School. [Repealed.]

Sec. 12. 13 V.S.A. § 2901 is amended to read:

§ 2901. PUNISHMENT FOR PERJURY

A person who, being lawfully required to depose the truth in a proceeding in a court of justice or in a contested case before a State agency pursuant to 3 V.S.A. chapter 25, commits perjury shall be imprisoned not more than 15 years and <u>or</u> fined not more than \$10,000.00, or both.

Sec. 13. 13 V.S.A. § 2535 is amended to read;

§ 2535. GUARDIAN

A guardian who embezzles or fraudulently converts to his or her own use, money, obligations, securities, or other effects or property belonging to the ward person under guardianship or the estate of the ward of whom he or she is guardian person under guardianship, shall be guilty of larceny and shall be imprisoned not more than 10 years or fined not more than \$1,000.00, or both.

Sec. 14. 13 V.S.A. § 3403 is amended to read:

§ 3403. MISPRISION OF TREASON

A person owing allegiance to this State, knowing such treason to have been committed, or knowing of the intent of a person to commit such treason, who does not, within 14 days from the time of having such knowledge, give information thereof to the Governor of the State, to one of the Justices of the Supreme Court, a Superior or District judge, or a justice of the peace, shall be guilty of misprision of treason and shall be imprisoned not more than 10 years nor less than five years or fined not more than \$2,000.00, or both.

Sec. 15. 13 V.S.A. § 3485 is amended to read:

§ 3485. PENALTY WHEN OFFENSE IS TREASON

A person who commits an offense punishable under one of sections 3481-3484 3482-3485 of this title, and such offense amounts to treason, shall be punished for treason in lieu of the penalty prescribed in such section.

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Sec. 16. 13 V.S.A. § 5415 is amended to read:

§ 5415. ENFORCEMENT; SPECIAL INVESTIGATION UNITS

(a) Special investigation units, created pursuant to 24 V.S.A. § 1940, shall be responsible for the investigation of violations of this chapter's Registry requirements and are authorized to conduct in-person Registry compliance checks in a time, place, and manner it deems appropriate in furtherance of the purposes of this chapter. This section shall not be construed to prohibit local law enforcement from enforcing the provisions of this chapter.

(b) On or before November 1, 2019, and annually thereafter, local law enforcement agencies shall report to the Vermont Crime Information Center about any in-person Registry compliance checks that the agency has conducted during the preceding 12 months. The report shall include the total number of in-person compliance checks conducted during the 12-month period, the number of offenders who were in compliance, the number of offenders who were out of compliance, and the reasons for being out of compliance.

(c) The department of public safety <u>Department of Public Safety</u> shall report to the Senate and House Committees on Judiciary on or before December 15, 2009, and annually thereafter, regarding its efforts under this section.

Sec. 17. 13 V.S.A. § 7041 is amended to read:

§ 7041. DEFERRED SENTENCE

(a) Upon an adjudication of guilt and after the filing of a presentence investigation report, the court may defer sentencing and place the respondent on probation upon such terms and conditions as it may require if a written agreement concerning the deferring of sentence is entered into between the State's Attorney and the respondent and filed with the clerk of the court.

(b) Notwithstanding subsection (a) of this section, the court may defer sentencing and place the respondent on probation without a written agreement between the State's Attorney and the respondent if the following conditions are met:

(1) the respondent is 28 years old or younger; [Repealed.]

(2) the crime for which the respondent is being sentenced is not a listed crime as defined in subdivision 5301(7) of this title;

(3) the court orders a presentence investigation in accordance with the procedures set forth in V.R.C.P. Rule 32, unless the State's Attorney agrees to waive the presentence investigation;

(4) the court permits the victim to submit a written or oral statement concerning the consideration of deferment of sentence;

(5) the court reviews the presentence investigation and the victim's impact statement with the parties; and

(6) the court determines that deferring sentence is in the interests of justice.

* * *

Sec. 18. 13 V.S.A. § 7554c is amended to read:

§ 7554c. PRETRIAL RISK ASSESSMENTS; NEEDS SCREENINGS

* * *

(b)(6) Any person charged with a criminal offense or who is the subject of a youthful offender petition pursuant to 33 V.S.A. § 5280, except those persons identified in subdivision (2) of this subsection, may choose to engage with a pretrial services coordinator.

* * *

Sec. 19. 14 V.S.A. § 1203 is amended to read:

§ 1203. LIMITATIONS ON PRESENTATION OF CLAIMS

(a) All claims against a decedent's estate which that arose before the death of the decedent, including claims of the State and any subdivision thereof, whether due or to become due, absolute or contingent, liquidated or unliquidated, founded on contract, tort, or other legal basis, except claims for the possession of or title to real estate and claims for injury to the person and damage to property suffered by the act or default of the deceased, if not barred earlier by other statute of limitations, are barred against the estate, the executor or administrator, and the heirs and devisees of the decedent, unless presented as follows:

(1) within four months after the date of the first publication of notice to creditors if notice is given in compliance with the Rules of Probate Procedure; provided, <u>however, that</u> claims barred by the nonclaim statute of the decedent's domicile before the first publication for claims in this State are also barred in this State;

* * *

Sec. 20. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

S. 110.

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

An act relating to data privacy and consumer protection.

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

Sec. 1. PRIVACY AUDIT

On or before January 15, 2020, the Chief Data Officer and the Chief Records Officer shall submit to the House Committees on Commerce and Economic Development and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations a report concerning the three branches of State government and the management of personally identifiable information, as defined in 9 V.S.A. § 2430(9), as well as street addresses, e-mail addresses, telephone numbers, and demographic information, specifically:

(1) federal and State laws, rules, and regulations that:

(A) exempt personally identifiable information from public inspection and copying pursuant to 1 V.S.A. § 317;

(B) require personally identifiable information to be produced or acquired in the course of State government business;

(C) specify fees for obtaining personally identifiable information produced or acquired in the course of State government business; and

(D) require personally identifiable information to be shared between branches of State government or between branches and non-state entities, including municipalities;

(2) arrangements or agreements, whether verbal or written, between branches of State government or between branches and non-state entities, including municipalities, to share personally identifiable information, street addresses, e-mail addresses, telephone numbers, and demographic information; and

(3) recommendations for proposed legislation concerning the collection and management of personally identifiable information, street addresses, email addresses, telephone numbers, and demographic information by all three branches of State government.

Sec. 2. 9 V.S.A. § 2430(9) is amended to read:

(9)(A) "Personally identifiable information" means a consumer's first name or first initial and last name in combination with any one or more of the following digital data elements, when either the name or the data elements are not encrypted or redacted or protected by another method that renders them unreadable or unusable by unauthorized persons:

(i) Social Security number;

(ii) motor vehicle operator's license number or nondriver identification card number;

(iii) financial account number or credit or debit card number, if circumstances exist in which the number could be used without additional identifying information, access codes, or passwords;

(iv) account passwords or personal identification numbers or other access codes for a financial account:

(v) unique biometric data generated from measurements or technical analysis of human body characteristics used by the owner or licensee of the data to identify or authenticate the consumer, such as a fingerprint, retina or iris image, or other unique physical representation or digital representation of biometric data;

(vi) genetic information;

(vii) health information;

(viii) login credentials, including a username or password; and

(ix) a passport number.

(B) "Personally identifiable information" does not mean publicly available information that is lawfully made available to the general public from federal, State, or local government records.

Sec. 3. 9 V.S.A. chapter 62, subchapter 3A is added to read:

Subchapter 3A: Student Privacy

§ 2443. DEFINITIONS

As used in this subchapter:

(1) "Covered information" means personal information or material, or information that is linked to personal information or material, in any media or format that is:

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(A)(i) not publicly available; or

(ii) made publicly available pursuant to the federal Family Educational and Rights and Privacy Act; and

(B)(i) created by or provided to an operator by a student or the student's parent or legal guardian in the course of the student's, parent's, or legal guardian's use of the operator's site, service, or application for K-12 school purposes;

(ii) created by or provided to an operator by an employee or agent of a school or school district for K–12 school purposes; or

(iii) gathered by an operator through the operation of its site, service, or application for K–12 school purposes and personally identifies a student, including information in the student's education record or electronic mail; first and last name; home address; telephone number; electronic mail address or other information that allows physical or online contact; discipline records; test results; special education data; juvenile dependency records; grades; evaluations; criminal records; medical records; health records; social security number; biometric information; disability status; socioeconomic information; food purchases; political affiliations; religious information; text messages; documents; student identifiers; search activity; photos; voice recordings; or geolocation information.

(2) "K-12 school purposes" means purposes that are directed by or that customarily take place at the direction of a school, teacher, or school district; aid in the administration of school activities, including instruction in the classroom or at home, administrative activities, and collaboration between students, school personnel, or parents; or are otherwise for the use and benefit of the school.

(3) "Operator" means, to the extent that an entity is operating in this capacity, the operator of an Internet website, online service, online application, or mobile application with actual knowledge that the site, service, or application is used primarily for K-12 school purposes and was designed and marketed for K-12 school purposes.

(4) "School" means:

(A) a public or private preschool, public kindergarten, elementary or secondary educational institution, vocational school, special educational agency or institution; and

(B) a person, agency, or institution that maintains school student records from more than one of the entities described in subdivision (6)(A) of this section.

(5) "Targeted advertising" means presenting advertisements to a student where the advertisement is selected based on information obtained or inferred over time from that student's online behavior, usage of applications, or covered information. The term does not include advertising to a student at an online location based upon that student's current visit to that location or in response to that student's request for information or feedback, without the retention of that student's online activities or requests over time for the purpose in whole or in part of targeting subsequent ads.

§ 2443a. OPERATOR PROHIBITIONS

(a) An operator shall not knowingly do any of the following with respect to its site, service, or application:

(1) Engage in targeted advertising on the operator's site, service, or application or target advertising on any other site, service, or application if the targeting of the advertising is based on any information, including covered information and persistent unique identifiers, that the operator has acquired because of the use of that operator's site, service, or application for K-12 school purposes;

(2) Use information, including a persistent unique identifier, that is created or gathered by the operator's site, service, or application to amass a profile about a student, except in furtherance of K–12 school purposes. "Amass a profile" does not include the collection and retention of account information that remains under the control of the student, the student's parent or legal guardian, or the school.

(3) Sell, barter, or rent a student's information, including covered information. This subdivision (3) does not apply to the purchase, merger, or other type of acquisition of an operator by another entity if the operator or successor entity complies with this subchapter regarding previously acquired student information.

(4) Except as otherwise provided in section 2443c of this title, disclose covered information, unless the disclosure is made for one or more of the following purposes and is proportionate to the identifiable information necessary to accomplish the purpose:

(A) to further the K-12 purposes of the site, service, or application, provided:

(i) the recipient of the covered information does not further disclose the information except to allow or improve operability and functionality of the operator's site, service, or application; and

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(ii) the covered information is not used for a purpose inconsistent with this subchapter;

(B) to ensure legal and regulatory compliance or take precautions against liability;

(C) to respond to judicial process;

(D) to protect the safety or integrity of users of the site or others or the security of the site, service, or application;

(E) for a school, educational, or employment purpose requested by the student or the student's parent or legal guardian, provided that the information is not used or further disclosed for any other purpose; or

(F) to a third party if the operator contractually prohibits the third party from using any covered information for any purpose other than providing the contracted service to or on behalf of the operator, prohibits the third party from disclosing any covered information provided by the operator to subsequent third parties, and requires the third party to implement and maintain reasonable security procedures and practices.

(b) This section does not prohibit an operator's use of information for maintaining, developing, supporting, improving, or diagnosing the operator's site, service, or application.

§ 2443b. OPERATOR DUTIES

An operator shall:

(1) implement and maintain reasonable security procedures and practices appropriate to the nature of the covered information and designed to protect that covered information from unauthorized access, destruction, use, modification, or disclosure;

(2) delete, within a reasonable time period and to the extent practicable, a student's covered information if the school or school district requests deletion of covered information under the control of the school or school district, unless a student or his or her parent or legal guardian consents to the maintenance of the covered information; and

(3) publicly disclose and provide the school with material information about its collection, use, and disclosure of covered information, including publishing a term of service agreement, privacy policy, or similar document.

§ 2443c. PERMISSIVE USE OR DISCLOSURE

An operator may use or disclose covered information of a student under the following circumstances:

(1) if other provisions of federal or State law require the operator to disclose the information and the operator complies with the requirements of federal and State law in protecting and disclosing that information;

(2) for legitimate research purposes as required by State or federal law and subject to the restrictions under applicable State and federal law or as allowed by State or federal law and under the direction of a school, school district, or the State Board of Education if the covered information is not used for advertising or to amass a profile on the student for purposes other than for K-12 school purposes; and

(3) disclosure to a State or local educational agency, including schools and school districts, for K–12 school purposes as permitted by State or federal law.

§ 2443d. OPERATOR ACTIONS THAT ARE NOT PROHIBITED

This subchapter does not prohibit an operator from doing any of the following:

(1) using covered information to improve educational products if that information is not associated with an identified student within the operator's site, service, or application or other sites, services, or applications owned by the operator;

(2) using covered information that is not associated with an identified student to demonstrate the effectiveness of the operator's products or services, including in their marketing;

(3) sharing covered information that is not associated with an identified student for the development and improvement of educational sites, services, or applications;

(4) using recommendation engines to recommend to a student either of the following:

(A) additional content relating to an educational, other learning, or employment opportunity purpose within an online site, service, or application if the recommendation is not determined in whole or in part by payment or other consideration from a third party; or

(B) additional services relating to an educational, other learning, or employment opportunity purpose within an online site, service, or application if the recommendation is not determined in whole or in part by payment or other consideration from a third party; and (5) responding to a student's request for information or for feedback without the information or response being determined in whole or in part by payment or other consideration from a third party.

§ 2443e. APPLICABILITY

This subchapter does not:

(1) limit the authority of a law enforcement agency to obtain any content or information from an operator as authorized by law or under a court order;

(2) limit the ability of an operator to use student data, including covered information, for adaptive learning or customized student learning purposes;

(3) apply to general audience Internet websites, general audience online services, general audience online applications, or general audience mobile applications, even if login credentials created for an operator's site, service, or application may be used to access those general audience sites, services, or applications;

(4) limit service providers from providing Internet connectivity to schools or students and their families;

(5) prohibit an operator of an Internet website, online service, online application, or mobile application from marketing educational products directly to parents if the marketing did not result from the use of covered information obtained by the operator through the provision of services covered under this subchapter;

(6) impose a duty upon a provider of an electronic store, gateway, marketplace, or other means of purchasing or downloading software or applications to review or enforce compliance with this subchapter on those applications or software;

(7) impose a duty upon a provider of an interactive computer service, as defined in 47 U.S.C. § 230, to review or enforce compliance with this subchapter by third-party content providers;

(8) prohibit students from downloading, exporting, transferring, saving, or maintaining their own student-created data or documents; or

(9) supersede the federal Family Educational Rights and Privacy Act or rules adopted pursuant to that Act.

§ 2443f. ENFORCEMENT

<u>A person who violates a provision of this subchapter commits an unfair and</u> deceptive act in commerce in violation of section 2453 of this title. Sec. 4. 9 V.S.A. § 2435(b)(6) is amended to read:

(6) A data collector may provide notice of a security breach to a consumer by one or more of the following methods:

(A) Direct notice, which may be by one of the following methods:

(i) written notice mailed to the consumer's residence;

(ii) electronic notice, for those consumers for whom the data collector has a valid e-mail address if:

(I) the data collector's primary method of communication with the consumer is by electronic means, the electronic notice does not request or contain a hypertext link to a request that the consumer provide personal information, and the electronic notice conspicuously warns consumers not to provide personal information in response to electronic communications regarding security breaches; or

(II) the notice is consistent with the provisions regarding electronic records and signatures for notices in 15 U.S.C. § 7001; or

(iii) telephonic notice, provided that telephonic contact is made directly with each affected consumer and not through a prerecorded message.

(B)(i) Substitute notice, if:

(I) the data collector demonstrates that the <u>lowest</u> cost of providing <u>notice to affected consumers pursuant to subdivision (6)(A) of this</u> <u>subsection among</u> written, e-mail, or telephonic notice to affected consumers would exceed $$5,000.00 \ \$10,000.00$; or

(II) the class of affected consumers to be provided written or telephonic notice exceeds 5,000; or

(III) the data collector does not have sufficient contact information.

(ii) A data collector shall provide substitute notice by:

(I) conspicuously posting the notice on the data collector's website if the data collector maintains one; and

(II) notifying major statewide and regional media.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

Committee Relieved of Further Consideration; Bill Committed

S. 170.

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

An act relating to the Standard Offer Program and hydroelectric plants,

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

Message from the House No. 29

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 514. An act relating to miscellaneous tax provisions.

H. 518. An act relating to fair and impartial policing.

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

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

J.R.S. 19. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Thursday, March 21, 2019.

THURSDAY, MARCH 21, 2019

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Senate Bill Recommitted

S. 132.

Senate bill entitled:

An act relating to hate crimes and bias incidents.

Was taken up.

Thereupon, pending third reading of the bill, on motion of Senator Nitka, the bill was recommitted to the Committee on Judiciary.

Bills Referred to Committee on Appropriations

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

S. 58. An act relating to the State hemp program.

S. 163. An act relating to housing safety and rehabilitation.

Senate Resolution Placed on Calendar

S.R. 4.

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

By Senator Ashe,

S.R. 4. Senate resolution relating to adoption of a temporary Rule 44A.

Resolved by the Senate:

That a temporary rule, to be designated Rule 44A, be adopted by the Senate, to read as follows:

Rule 44A. (a) Any bill failing to make the crossover dates of March 15, 2019 and March 22, 2019 shall be referred to the Committee on Rules. This provision shall not apply to the following measures:

(1) The transportation capital bill;

- (2) The capital construction bill;
- (3) The general appropriations bill ("The Big Bill");
- (4) The fees bill; and
- (5) The miscellaneous tax bill.

(b) The Rules Committee may report any bills referred to it for reference to another committee of jurisdiction pursuant to Senate Rule 24, if applicable.

(c) All bills referred to the Committee on Rules and still in the Committee on Rules on the convening of the 2020 adjourned session shall be referred to another committee of jurisdiction pursuant to Senate Rule 24, if applicable.

(d) This Temporary Rule 44A shall expire on the convening of the 2020 adjourned session.

Thereupon, in the discretion of the President, under Rule 51, the resolution was placed on the Calendar for action tomorrow.

Bill Introduced

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

S. 171.

By Senators Bray, Balint, Campion, Clarkson, Hardy, McCormack, Pearson and Perchlik,

An act relating to addressing climate change, increasing weatherization, and rating the energy performance of buildings.

To the Committee on Natural Resources and Energy.

Bills Referred

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

H. 514.

An act relating to miscellaneous tax provisions.

To the Committee on Finance.

H. 518.

An act relating to fair and impartial policing.

To the Committee on Judiciary.

Bill Amended; Third Reading Ordered

S. 55.

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

An act relating to the regulation of toxic substances and hazardous materials.

Reported recommending that the bill be amended by striking out Sec. 4 in its entirety and inserting in lieu thereof two new sections to be numbered Secs. 4 and 4a to read as follows:

Sec. 4. 18 V.S.A. § 1776 is amended to read:

§ 1776. RULEMAKING; ADDITIONAL CHEMICALS OF CONCERN TO CHILDREN; PROHIBITION OF SALE

* * *

(b) Additional chemicals of concern to children. The Commissioner may by rule add additional chemicals to the list of chemicals of high concern to children, provided that the Commissioner of Health, on the basis of the weight of credible, <u>peer-reviewed</u> scientific evidence information, has determined that a chemical proposed for addition to the list meets both of the following criteria in subdivisions (1) and (2) of this subsection:

(1) The Commissioner of Health has determined that an authoritative governmental entity or accredited research university has demonstrated that the chemical:

(A) harms the normal development of a fetus or child or causes other developmental toxicity;

(B) causes cancer, genetic damage, or reproductive harm;

(C) disrupts the endocrine system;

(D) damages the nervous system, immune system, or organs or causes other systemic toxicity; or

(E) is a persistent bioaccumulative toxic.

(2) The chemical has been found through:

(A) biomonitoring to be present in human blood, umbilical cord blood, breast milk, urine, or other bodily tissues or fluids;

(B) sampling and analysis to be present in household dust, indoor air, drinking water, or elsewhere in the home environment; or

(C) monitoring to be present in fish, wildlife, or the natural environment.

* * *

(d) Rule to regulate sale or distribution.

(1) The Commissioner, upon the recommendation of <u>after consultation</u> with the Chemicals of High Concern to Children Working Group, may adopt a

rule to regulate the sale or distribution of a children's product containing a chemical of high concern to children upon a determination that:

(A) children will <u>may</u> be exposed to a chemical of high concern to children in the children's product; and

(B) there is a probability that, due to the degree of exposure or frequency of exposure of a child to a chemical of high concern to children in a children's product, exposure could cause or contribute to one or more of the adverse health impacts listed under subdivision (b)(1) of this section.

(2) In determining whether children will <u>may</u> be exposed to a chemical of high concern in a children's product, the Commissioner shall review available, credible information regarding:

(A) the market presence of the children's product in the State;

(B) the type or occurrence of exposures to the relevant chemical of high concern to children in the children's product;

(C) the household and workplace presence of the children's product; or

(D) the potential and frequency of exposure of children to the chemical of high concern to children in the children's product.

(3) A rule adopted under this section may:

(A) prohibit the children's product containing the chemical of high concern to children from sale, offer for sale, or distribution in the State; or

(B) require that the children's product containing the chemical of high concern to children be labeled prior to sale, offer for sale, or distribution in the State.

(4) In any rule adopted under this subsection, the Commissioner shall adopt reasonable time frames for manufacturers, distributors, and retailers to comply with the requirements of the rules. No prohibition on sale or manufacture of a children's product in the State shall take effect sooner than two years after the adoption of a rule adopted under this section unless the Commissioner determines that an earlier effective date is required to protect human health and the new effective date is established by rule.

(5) The Chemicals of High Concern to Children Working Group may, at its discretion, submit to the House Committees on Natural Resources, Fish, and Wildlife and on Human Services and the Senate Committees on Natural Resources and Energy and on Health and Welfare the recommendations or information from a consultation provided to the Commissioner under subdivision (1) of this subsection.

* * *

(f) Additional rules.

(1) On or before July 1, 2017, the <u>The</u> Commissioner of Health shall adopt by rule the process and procedure to be required when the Commissioner of Health adopts a rule under subsection (b), (c), or (d) of this section. The rule shall provide:

(A) all relevant criteria for evaluation of the chemical;

(B) criteria by which a chemical, due to its presence in the environment or risk of harm, shall be prioritized for addition or removal from the list of chemicals of high concern to children or for regulation under subsection (d) of this section;

(C) time frames for labeling or phasing out sale or distribution; and

(D) requirements for when or how a manufacturer of a children's product that contains a chemical of high concern to children provides the notice required under subsection 1775(a) of this title when the manufacturer intends to introduce the children's product for sale between the required dates for reporting; and

 (\underline{E}) other information or process determined as necessary by the Commissioner for implementation of this chapter.

* * *

Sec. 4a. DEPARTMENT OF HEALTH; RULEMAKING DATE

On or before January 1, 2020, the Commissioner of Health shall adopt the rule required under 18 V.S.A. 1776(f)(1)(D) (notice by manufacturer of children's product containing a chemical of high concern to children between reporting dates).

And that when so amended the bill ought to pass.

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

<u>First</u>: By striking out Secs. 1 and 2 and their reader assistance in their entirety and inserting in lieu thereof new Secs. 1 and 2 and their reader assistance as follows:

* * * Toxics Use Reduction and Reporting * * *

Sec. 1. 10 V.S.A. § 6633 is added to read:

§ 6633. INTERAGENCY COMMITTEE ON CHEMICAL MANAGEMENT

(a) Creation. There is created the Interagency Committee on Chemical Management in the State to:

(1) evaluate chemical inventories in the State on an annual basis;

(2) identify potential risks to human health and the environment from chemical inventories in the State; and

(3) propose measures or mechanisms to address the identified risks from chemical inventories in the State.

(b) Membership. The Interagency Committee on Chemical Management shall be composed of the following eight members:

(1) the Secretary of Agriculture, Food and Markets or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Commissioner of Health or designee;

(4) the Commissioner of Labor or designee;

(5) the Commissioner of Public Safety or designee;

(6) the Secretary of Commerce and Community Development or designee;

(7) the Secretary of Digital Services or designee; and

(8) the Secretary of Transportation or designee.

(c) Powers and duties. The Interagency Committee on Chemical management shall:

(1) Convene a citizen advisory panel to provide input and expertise to the Committee. The citizen advisory panel shall consist of persons available to the Committee on an as-needed basis to provide the following expertise:

(A) one individual with expertise in toxicology;

(B) one individual with expertise in environmental health;

(C) one individual with expertise in maternal and child health;

(D) one individual with expertise in industrial hygiene or occupational health;

(E) one individual with expertise in human health and environmental risk assessment;

(F) one individual with expertise in manufacturing products or processes located in Vermont and subject to Vermont recordkeeping and reporting requirements;

(G) one individual with expertise in retail sales located in Vermont;

(H) one individual associated with a small business located in Vermont and subject to Vermont recordkeeping and reporting requirements;

(I) one individual associated with an academic institution with expertise in chemical management or chemical policy;

(J) one individual with expertise in environmental law;

(K) one individual with expertise in public policy, with a focus on chemical policy; and

(L) one individual with expertise in development and administration of information reporting technology or databases.

(2) Monitor actions taken by the U.S. Environmental Protection Agency (EPA) to regulate chemicals under the Toxic Substances Control Act, 15 U.S.C. chapter 53, and notify relevant State agencies of any EPA action relevant to the jurisdiction of the agency.

(3) Annually review chemical inventories in the State in relation to emerging scientific evidence in order to identify chemicals of high concern not regulated by the State.

(4) Develop written procedures, guidance, and other resources that are necessary and appropriate to carry out the functions of the Interagency Committee on Chemical Management.

(d) Assistance. The Interagency Committee on Chemical Management shall have the administrative, technical, and legal assistance of the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Department of Health, the Department of Public Safety, the Department of Labor, the Agency of Commerce and Community Development, and the Agency of Digital Services.

(e) Report. On or before December 15, 2020 and biennially thereafter, the Interagency Committee on Chemical Management shall report to the Governor and make recommendations regarding the actions of the Committee in accordance with this section. Copies of the report shall be submitted to: the Senate Committees on Natural Resources and Energy, on Health and Welfare, and on Economic Development, Housing and General Affairs and the House Committees on Natural Resources, Fish, and Wildlife, on Human Services, and on Commerce and Economic Development. The provisions of 2 V.S.A. §20(d)

regarding expiration of required reports shall not apply to the report to be made under this section. The report shall include:

(1) a summary of chemical use in the State based on reported chemical inventories;

(2) a summary of identified risks to human health and the environment from reported chemical inventories;

(3) a summary of any change under federal statute or rule affecting the regulation of chemicals in the State; and

(4) recommended legislative or regulatory action to reduce risks to human health and the environment from regulated and unregulated chemicals of emerging concern.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall be the Chair of the Interagency Committee on Chemical Management.

(2) The Secretary of Natural Resources or designee shall call the first meeting of the Interagency Committee on Chemical Management to occur on or before July 1, 2019.

(3) A majority of the membership of the Interagency Committee on Chemical Management shall constitute a quorum.

(g) Authority of agencies. The establishment of the Interagency Committee on Chemical Management shall not limit the independent authority of a State agency to regulate chemical use or management under existing State or applicable federal law.

Sec. 2. TRANSITION; LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) the Interagency Committee on Chemical Management established by Executive Order No. 02-19 shall fulfill the powers and duties of the Interagency Committee on Chemical Management under 10 V.S.A. § 6633; and

(2) the persons appointed as members of the citizen advisory committee of the Interagency Committee on Chemical Management established by Executive Order No. 02-19 shall continue as members of the citizen advisory committee established under 10 V.S.A. § 6633.

<u>Second</u>: In Sec. 5 (effective dates), by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) This section and Secs. 1 and 2 (the Interagency Committee on Chemical Management; transition) shall take effect on passage.

Which was agreed to.

Thereupon, the recommendation of amendment of the Committee on Health and Welfare, as amended, was agreed to and third reading of the bill was ordered, on a roll call, Yeas 25, Nays 5.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, McNeil, Parent.

Bills Amended; Third Readings Ordered

S. 112.

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

An act relating to earned good time.

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

Sec. 1. FINDINGS

The General Assembly finds that:

(1) For nearly 40 years, Vermont had a system of statutory good time that permitted offenders to receive reductions in their sentences for maintaining good behavior and participating in programming while in the custody of the Commissioner of Corrections. This good time system was repealed in 2005.

(1) In 2018, the General Assembly directed the Commissioner of Corrections, in consultation with the Chief Superior Judge, the Attorney General, the Executive Director of the Department of Sheriffs and State's Attorneys, and the Defender General, to submit a report (the Report) to the Legislature on the advisability and feasibility of reinstituting a system of earned good time for persons under Department of Corrections supervision. The Report was filed on November 15, 2018.

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(2) In the Report, the Commissioner found that:

(A) empirical studies show that earned good time is effective at prison population management, has little to no community impact or effect on public safety, and is perceived by correctional administrators as having a positive impact on facility control;

(B) earned good time reduces incarceration costs by an amount ranging from \$1,800.00 to \$5,500.00 per inmate, depending on the number of days an inmate's sentence is reduced; and

(C) although research is mixed, studies show that earned good time can result in a crime rate reduction of 1-3.5 percent.

(3) On the basis of the Report's findings, the Commissioner concluded that the Department should "reinstitute a program of earned good time for sentenced inmates and individuals on furlough."

(4) In order to reduce the State's prison population by reintegrating offenders into the community while maintaining public safety, a system of earned good time should be reinstituted in Vermont as soon as possible.

Sec. 2. 28 V.S.A. § 818 is added to read:

§ 818. EARNED GOOD TIME; REDUCTION OF TERM

(a) On or before July 1, 2020, the Department shall file a proposed rule implementing an earned good time program.

(b) The earned good time program implemented pursuant to this section shall comply with the following standards:

(1) The program shall be available for all eligible offenders under the supervision of the Department who have been sentenced and committed to the custody of the Commissioner.

(2) Offenders with a sentence of 180 days or less shall earn a reduction of five days in the minimum and maximum terms of confinement for each month during which the offender faithfully has observed all the rules and regulations of the institution to which the offender is committed.

(3) For offenders with a sentence of greater than 180 days, the program shall be a merit-based system designed to incentivize offenders to meet milestones identified by the Department that prepare offenders for reentry.

(4) An offender who receives pre-adjudication or post-adjudication treatment in an inpatient setting for a substance use disorder shall earn a reduction of one day in the minimum and maximum terms of confinement for each day that the offender receives the inpatient treatment. (5) The Department shall provide timely notice each month to the offender any time the offender receives a reduction in his or her term of supervision pursuant to this section, and the Department shall maintain a system that documents and records all such reductions in each offender's permanent file.

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

S. 134.

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

An act relating to background investigations for State employees with access to federal tax information.

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

Sec. 1. 3 V.S.A. § 241 is amended to read:

§ 241. BACKGROUND INVESTIGATIONS

* * *

(b) As used in this chapter, "Recipient" means the following authorities of the Executive Branch of State government that receive FTI:

(1) Agency of Human Services, including the:

(A) Department for Children and Families;

(B) Department of Health;

- (C) Department of Mental Health; and
- (D) Department of Vermont Health Access.
- (2) Department of Labor.
- (3) Department of Motor Vehicles.
- (4) Department of Taxes.

(5) Agency of Digital Services.

(6) Department of Buildings and General Services.

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(c)(1) The Recipient shall conduct an initial background investigation of any <u>individual</u>, including a current or prospective employee, volunteer, contractor, or subcontractor, to whom the Recipient will permit access to FTI for the purpose of assessing the individual's fitness to be permitted access to FTI.

(2) The Recipient shall, at least every 10 years, conduct a periodic background reinvestigation of any employee, volunteer, contractor, or subcontractor to whom the Recipient permits access to FTI.

(3) The impact of the results of a background investigation performed pursuant to subdivision (1) of this subsection shall be the subject of impact bargaining between the State and the collective bargaining representative for the employee's bargaining unit to the extent required by any collective bargaining agreements between the parties.

* * *

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

S. 141.

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

An act relating to nutritional requirements for children's meals.

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

Sec. 1. 18 V.S.A. § 4310 is added to read:

§ 4310. BEVERAGES IN CHILDREN'S MEALS

(a) A food service establishment serving a children's meal shall offer as a default beverage:

(1) water, sparkling water, or flavored water that does not contain added natural or artificial sweeteners; or

(2) milk or a nondairy milk alternative; or

(3) 100 percent fruit juice or fruit juice combined with water or carbonated water that does not contain added sweeteners, in a serving size of not more than eight ounces.

(b) Nothing in this section shall prohibit a food service establishment from selling or providing, or a customer from purchasing, a beverage other than the default beverage included with a children's meal if the customer requests a substitute beverage.

(c) As used in this section:

(1) "Children's meal" means a combination of food items and a beverage, primarily intended for consumption by children, sold together at a single price.

(2) "Default beverage" means the beverage automatically included as part of a children's meal.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that when so amended the bill ought to pass.

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

Bills Passed

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

S. 7. An act relating to the evaluation of social service integration with accountable care organizations.

S. 30. An act relating to the regulation of hydrofluorocarbons.

Bill Amended; Bill Passed

S. 31.

Senate bill entitled:

An act relating to requiring hospitals to provide certain financial information to patients and prohibiting surprise billing for emergency medical services.

Was taken up.

Thereupon, pending third reading of the bill, Senator Benning moved to amend the bill in Sec. 2, price transparency; billing processes; report, in subsection (a), by striking out the following "Building on its efforts pursuant to 2015 Acts and Resolves No. 54, Sec. 21, the" and inserting in lieu thereof the word The

Which was agreed to.

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

Bills Passed

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

S. 68. An act relating to Indigenous Peoples' Day.

S. 105. An act relating to miscellaneous judiciary procedures.

Bills Amended; Bills Passed

S. 107.

Senate bill entitled:

An act relating to elections corrections.

Was taken up.

Thereupon, pending third reading of the bill, Senators Collamore, Bray, Clarkson, Pollina and White moved to amend the bill in Sec. 7, 17 V.S.A. chapter 45 (political parties), in § 2308 (composition of county committee), by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) The number of delegates to the county committee that each town caucus is entitled to elect shall be apportioned by the State committee, based upon the number of votes cast for the party's candidate for Governor in the last election, provided that each town caucus shall be entitled to elect at least two delegates.

Which was agreed to.

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

S. 110.

Senate bill entitled:

An act relating to data privacy and consumer protection.

Was taken up.

Thereupon, pending third reading of the bill, Senators Baruth, Hardy, Ingram, McNeil, Parent and Perchlik moved to amend the bill as follows:

<u>First</u>: By striking out the following: "<u>K-12 school purposes</u>" in the ten places it appears and inserting in lieu thereof the following: <u>PreK-12 school purposes</u>

<u>Second</u>: In § 2443a, in subdivision (a)(4)(A), by striking out the following: "<u>K-12 purposes</u>" and inserting in lieu thereof the following: <u>PreK-12 school purposes</u>

<u>Third</u>: In § 2443(4) by striking out the word "<u>public</u>" immediately preceding the word "<u>kindergarten</u>"

Fourth: In § 2443e by striking out subdivision (5) in its entirety.

And by renumbering the remaining subdivisions in that section to be numerically correct

Which was agreed to.

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

Third Reading Ordered

S. 169.

Senate committee bill entitled:

An act relating to firearms procedures.

Having appeared on the Calendar for notice for one day, was taken up.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be read a third time?, Senator Sears moved to amend the bill in Sec. 1 (13 V.S.A. § 4021), in subdivision (d)(1)(F)(ii), by striking out "<u>April 11, 2018</u>" and inserting in lieu thereof <u>October 1, 2018</u>

Which was agreed to.

Thereupon, pending the question, Shall the bill be read third time?, Senator Rodgers moved to amend the bill in Sec. 1, 13 V.S.A. 4021(d)(1)(B), by striking out subdivision (ii) in its entirety and inserting in lieu thereof a new subdivision (ii) to read as follows:

(ii) possessed by an out-of-state law enforcement officer in Vermont for legitimate law enforcement purposes.

Which was agreed to.

Thereupon, pending the question, Shall the bill be read third time?, Senator Collamore moved to strike out Sec. 3 in its entirety.

Which was disagreed to on a roll call, Yeas 10, Nays 20.

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

Roll Call

Those Senators who voted in the affirmative were: Benning, Brock, Collamore, Mazza, McNeil, Nitka, Parent, Rodgers, Starr, Westman.

Those Senators who voted in the negative were: Ashe, Balint, Baruth, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Sears, Sirotkin, White.

Thereupon, third reading of the bill was ordered on a roll call, Yeas 20, Nays 10.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Bray, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Mazza, McNeil, Nitka, Parent, Rodgers, Starr, Westman.

House Proposal of Amendment Concurred In

J.R.S. 17.

House proposal of amendment to joint Senate resolution entitled:

Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

Was taken up.

The House proposes to the Senate to amend the joint resolution as follows:

In the final resolved clause by striking "Thursday, March 28, 2019" and inserting in lieu thereof Wednesday, March 27, 2019

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

Rules Suspended; Bill Committed

S. 170.

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

An act relating to the Standard Offer Program and hydroelectric plants.

Was taken up for immediate consideration.

Thereupon, pending the reading of the report of the Committee on Natural Resources and Energy, Senator Bray moved that Senate Rule 49 be suspended in order to commit the bill to the Committee on Finance with the report of the Committee on Natural Resources and Energy *intact*,

Which was agreed to.

Message from the House No. 30

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 13. An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

H. 104. An act relating to professions and occupations regulated by the Office of Professional Regulation.

H. 133. An act relating to miscellaneous energy subjects.

H. 204. An act relating to miscellaneous provisions affecting navigators, Medicaid records, and the Department of Vermont Health Access.

H. 235. An act relating to repealing the sunset of the authority to conduct on-farm slaughter.

H. 292. An act relating to town banners over highway rights-of-way.

H. 330. An act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse.

H. 358. An act relating to technical corrections.

H. 394. An act relating to the disposition of the remains of veterans.

H. 427. An act relating to a uniform process for foreign credential verification in the Office of Professional Regulation.

H. 521. An act relating to amending the special education laws.

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

Adjournment

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

FRIDAY, MARCH 22, 2019

The Senate was called to order by the President.

Devotional Exercises

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

Bill Referred to Committee on Appropriations

S. 160.

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

An act relating to agricultural development.

Bills Referred

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

H. 13.

An act relating to miscellaneous amendments to alcoholic beverage and tobacco laws.

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

H. 104.

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

To the Committee on Government Operations.

H. 133.

An act relating to miscellaneous energy subjects.

To the Committee on Finance.

H. 204.

An act relating to miscellaneous provisions affecting navigators, Medicaid records, and the Department of Vermont Health Access.

To the Committee on Health and Welfare.

Н. 235.

An act relating to repealing the sunset of the authority to conduct on-farm slaughter.

To the Committee on Agriculture.

H. 292.

An act relating to town banners over highway rights-of-way.

To the Committee on Natural Resources and Energy.

H. 330.

An act relating to repealing the statute of limitations for civil actions based on childhood sexual abuse.

To the Committee on Judiciary.

H. 358.

An act relating to technical corrections.

To the Committee on Government Operations.

Н. 394.

An act relating to the disposition of the remains of veterans.

To the Committee on Government Operations.

Н. 427.

An act relating to a uniform process for foreign credential verification in the Office of Professional Regulation.

To the Committee on Government Operations.

H. 521.

An act relating to amending the special education laws.

To the Committee on Education.

Committee Relieved of Further Consideration; Bill Committed

S. 139.

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

An act relating to creating the Vermont Private Attorneys General Act,

and the bill was committed to the Committee on Economic Development, Housing and General Affairs.

Bill Amended; Bill Passed

S. 73.

Senate bill entitled:

An act relating to licensure of ambulatory surgical centers.

Was taken up.

Thereupon, pending third reading of the bill, Senator Brock moved to amend the bill as follows:

<u>First</u>: In Sec. 1, 18 V.S.A. chapter 49, by striking out §§ 2156 and 2157 in their entirety and inserting in lieu thereof the following:

§ 2156. INSPECTIONS

The Department of Health shall make or cause to be made such inspections and investigations as it deems necessary. If the Department finds a violation as the result of an inspection or investigation, the Department shall post a report on the Department's website summarizing the violation and any corrective action required.

<u>§ 2157. RECORDS</u>

(a) Information received by the Department of Health through filed reports, inspections, or as otherwise authorized by law shall:

(1) not be disclosed publicly in a manner that identifies or may lead to the identification of one or more individuals or ambulatory surgical centers;

(2) be exempt from public inspection and copying under the Public Records Act; and

(3) be kept confidential except as it relates to a proceeding regarding licensure of an ambulatory surgical center.

(b) The provisions of subsection (a) of this section shall not apply to the summary reports of violations required to be posted on the Department's website pursuant to section 2156 of this chapter.

Second: By adding a new section to be numbered Sec. 1a to read as follows:

Sec. 1a. 18 V.S.A. § 1909 is amended to read:

§ 1909. INSPECTIONS

The licensing agency shall make or cause to be made such inspections and investigation investigations as it deems necessary. If the licensing agency finds a violation as the result of an inspection or investigation, the licensing agency shall post a report on the licensing agency's website summarizing the violation and any corrective action required.

Third: By adding a new section to be numbered Sec. 1b to read as follows:

Sec. 1b. 18 V.S.A. § 1910 is amended to read:

§ 1910. RECORDS

(a) Information received by the licensing agency through filed reports, inspection, or as otherwise authorized under this by law, shall:

(1) not be disclosed publicly in such <u>a</u> manner as to identify individuals or hospitals, except in a proceeding involving the question of licensure <u>that</u> identifies or may lead to the identification of one or more individuals or <u>hospitals</u>;

(2) be exempt from public inspection and copying under the Public Records Act; and

(3) be kept confidential except as it relates to a proceeding regarding licensure of a hospital.

(b) The provisions of subsection (a) of this section shall not apply to the summary reports of violations required to be posted on the licensing agency's website pursuant to section 1909 of this chapter.

Which was agreed to.

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

Bill Amended; Bill Passed

S. 53.

Senate bill entitled:

An act relating to increasing the proportion of health care spending allocated to primary care.

Was taken up.

Thereupon, pending third reading of the bill, Senator Sirotkin moved to amend the bill by adding a new section to be numbered Sec. 2a to read as follows:

Sec. 2a. LEGISLATIVE INTENT; NONAPPLICABILITY OF STUDY RESULTS TO HEALTH INSURANCE PLAN DESIGN

It is the intent of the General Assembly that the determinations of which health care providers and services constitute primary care for the purposes of this act should not be considered by any health insurer as a dispositive determination of which providers and services should constitute primary care for purposes of health insurance plan design, including cost-sharing requirements.

Which was agreed to.

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

Bills Passed

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

S. 55. An act relating to the regulation of toxic substances and hazardous materials.

S. 112. An act relating to earned good time.

S. 134. An act relating to background investigations for State employees with access to federal tax information.

Bill Amended; Bill Passed

S. 141.

Senate bill entitled:

An act relating to nutritional requirements for children's meals.

Was taken up.

Thereupon, pending third reading of the bill, Senators Starr, Collamore, Hardy, Pearson, Pollina and Parent moved to amend the bill in Sec. 1, 18 V.S.A. § 4310, subdivision (a)(2), by striking out "nondairy milk alternative" and inserting in lieu thereof <u>nut-based or plant-based beverage</u>

Which was agreed to.

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

Bill Amended; Bill Passed

S. 169.

Senate bill entitled:

An act relating to firearms procedures.

Was taken up.

Thereupon, pending third reading of the bill, Senator McNeil moved to amend the bill in Sec. 2, 13 V.S.A. § 4019(a)(2), after "sibling-in-law" by inserting aunt, uncle, niece, nephew,

Which was agreed to.

Thereupon, pending third reading of the bill, Senator Sears moved to amend the bill in Sec. 1, 13 V.S.A. § 4021, by striking out subdivision (c)(1) in its entirety and inserting in lieu thereof a new subdivision (c)(1) to read as follows:

 $(c)(1)(\underline{A})$ The prohibition on possession of large capacity ammunition feeding devices established by subsection (a) of this section shall not apply to a large capacity ammunition feeding device lawfully possessed on or before the effective date of this section or to the transfer by a Vermont resident of a lawfully possessed large capacity ammunition feeding device from one immediate family member to another immediate family member by a lawfully executed will.

(B) As used in this subsection (c), "immediate family member" has the same meaning as in subsection 4019(a) of this title.

* * *

Which was agreed to.

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

Senate Resolution Adopted

S.R. 4.

Senate resolution entitled:

Senate resolution relating to adoption of a temporary Rule 44A

Having been placed on the Calendar for action, was taken up and adopted.

Senate Concurrent Resolutions

The following joint concurrent resolutions, having been placed on the consent calendar on the preceding legislative day, and no Senator having

requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted on the part of the Senate:

By Senators Benning and Kitchel,

By Reps. Feltus and Seymour,

S.C.R. 7.

Senate concurrent resolution congratulating Bag Balm on its 120th anniversary.

By Senators Kitchel and Benning,

By Rep. Toll,

S.C.R. 8.

Senate concurrent resolution congratulating Alice Johnson Blair on her 100th birthday..

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. McCoy,

By Senators Collamore, Hooker and McNeil,

H.C.R. 83.

House concurrent resolution honoring Poultney civic leader and esteemed educator Francis Fressie.

By Reps. Elder and others,

By Senators Bray and Hardy,

H.C.R. 84.

House concurrent resolution honoring pharmacist, entrepreneur, and community leader Frank Buonincontro of Bristol.

By Rep. Smith,

By Senators Bray and Hardy,

H.C.R. 85.

House concurrent resolution honoring Weybridge's creative volunteer Michael A. Newkirk.

By Reps. Cina and others,

H.C.R. 86.

House concurrent resolution recognizing March 2019 as National Social Work Month in Vermont.

By All Members of the House,

H.C.R. 87.

House concurrent resolution designating Friday, March 29, 2019 as Alzheimer's Awareness Day at the State House.

By Rep. Troiano,

H.C.R. 88.

House concurrent resolution in memory of Lyndon Justice of the Peace Edith Bell-Brown.

By Reps. Marcotte and others,

H.C.R. 89.

House concurrent resolution honoring Vermont Economic Development Authority Chief Executive Officer Rosalea Bradley for her dynamic and innovative leadership.

By Reps. Demrow and others,

By Senator MacDonald,

H.C.R. 90.

House concurrent resolution congratulating the 2019 Vermont Prudential Spirit of Community Awards Honorees and Distinguished Finalists.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 91.

House concurrent resolution congratulating Richard E. Prentiss on 50 years of dedicated firefighting service in the Town of Bennington.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 92.

House concurrent resolution congratulating William Kinney on 50 years of outstanding firefighting service in the Town of Bennington.

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By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 93.

House concurrent resolution congratulating the 2019 Mt. Anthony Union High School Patriots on winning their historic 31st consecutive State wrestling championship and 100th school victory.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 94.

House concurrent resolution congratulating Charles Harvey on 50 years of exemplary firefighting service in the Town of Bennington.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 95.

House concurrent resolution congratulating the 2019 Mt. Anthony Union High School Patriots Division I boys' Nordic skiing championship team.

By Reps. Demrow and Graham,

By Senator MacDonald,

H.C.R. 96.

House concurrent resolution in memory of former Representative Sylvia Rita Kennedy of Chelsea.

By Reps. Campbell and others,

H.C.R. 97.

House concurrent resolution in memory of Ken Tohinaka.

By Reps. Lippert and others,

H.C.R. 98.

House concurrent resolution congratulating Outright Vermont on its 30th anniversary.

Message from the House No. 31

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

Mr. President:

I am directed to inform the Senate that:

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

H. 532. An act relating to fiscal year 2019 budget adjustments.

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

Message from the House No. 32

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 83. An act relating to female genital cutting.

H. 132. An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

H. 351. An act relating to workers' compensation, unemployment insurance, and ski tramway amendments.

H. 436. An act relating to international wills.

H. 523. An act relating to miscellaneous changes to the State's retirement systems.

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

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

H.C.R. 83. House concurrent resolution honoring Poultney civic leader and esteemed educator Francis Fressie.

H.C.R. 84. House concurrent resolution honoring pharmacist, entrepreneur, and community leader Frank Buonincontro of Bristol.

H.C.R. 85. House concurrent resolution honoring Weybridge's creative volunteer Michael A. Newkirk.

H.C.R. 86. House concurrent resolution recognizing March 2019 as National Social Work Month in Vermont.

H.C.R. 87. House concurrent resolution designating Friday, March 29, 2019 as Alzheimer's Awareness Day at the State House.

H.C.R. 88. House concurrent resolution in memory of Lyndon Justice of the Peace Edith Bell-Brown.

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H.C.R. 89. House concurrent resolution honoring Vermont Economic Development Authority Chief Executive Officer Rosalea Bradley for her dynamic and innovative leadership.

H.C.R. 90. House concurrent resolution congratulating the 2019 Vermont Prudential Spirit of Community Awards Honorees and Distinguished Finalists.

H.C.R. 91. House concurrent resolution congratulating Richard E. Prentiss on 50 years of dedicated firefighting service in the Town of Bennington.

H.C.R. 92. House concurrent resolution congratulating William Kinney on 50 years of outstanding firefighting service in the Town of Bennington.

H.C.R. 93. House concurrent resolution congratulating the 2019 Mt. Anthony Union High School Patriots on winning their historic 31st consecutive State wrestling championship and 100th school victory.

H.C.R. 94. House concurrent resolution congratulating Charles Harvey on 50 years of exemplary firefighting service in the Town of Bennington.

H.C.R. 95. House concurrent resolution congratulating the 2019 Mt. Anthony Union High School Patriots Division I boys' Nordic skiing championship team.

H.C.R. 96. House concurrent resolution in memory of former Representative Sylvia Rita Kennedy of Chelsea.

H.C.R. 97. House concurrent resolution in memory of Ken Tohinaka.

H.C.R. 98. House concurrent resolution congratulating Outright Vermont on its 30th anniversary.

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

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

S.C.R. 7. Senate concurrent resolution congratulating Bag Balm on its 120th anniversary.

S.C.R. 8. Senate concurrent resolution congratulating Alice Johnson Blair on her 100th birthday.

And has adopted the same in concurrence.

Adjournment

On motion of Senator Ashe, the Senate adjourned, to reconvene on Tuesday, March 26, 2019, at nine o'clock and thirty minutes in the forenoon pursuant to J.R.S. 19.

TUESDAY, MARCH 26, 2019

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

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

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

Bill Referred to Committee on Finance

S. 162.

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

An act relating to promoting economic development.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 20.

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

By Senator Ashe,

J.R.S. 20. Joint resolution relating to weekend adjournment.

Resolved by the Senate and House of Representatives:

That when the two Houses adjourn on Friday, March 29, 2019, it be to meet again no later than Tuesday, April 2, 2019.

Joint Resolution Referred

J.R.S. 21.

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

By Senators Perchlik, Pearson and Pollina,

J.R.S. 21. Joint resolution to amend Rule 10 of the Joint Rules of the Senate and House of Representatives to require ranked choice voting in Joint Assembly elections.

Resolved by the Senate and House of Representatives:

That the General Assembly amends Rule 10 of the Joint Rules of the Senate and House of Representatives to read:

10. (a) Whenever a Joint Assembly is required to elect one or more persons to any office, the voting shall be by <u>a ranked choice</u> ballot, except that if there is only one candidate for any office, and if there is no objection, the Chair may put the question to the Joint Assembly by voice vote.

(b) If two or more offices are to be filled, each office will be voted upon and decided separately. If two or more vacancies for the same office are to be filled, nominations for all vacancies will be received before voting begins for the first vacancy, but each vacancy will be voted upon and decided separately. The Joint Assembly may limit the number and length of nominating and seconding speeches for each candidate.

(c)(1) Election to any office is by a majority of the votes cast, exclusive of spoiled and blank ballots. After two votes have been taken for any vacancy without an election, all nominees except the two having the highest number of votes on the second ballot shall be withdrawn, and voting shall then continue until a candidate is elected. In no event shall the involuntary removal of nominees result in fewer than two nominees remaining in the contest.

(2) The ballot shall allow Joint Assembly members to rank a number of candidates that is equal to the number of candidates nominated for the office, with "1st choice" being the highest ranking; "2nd choice" being the second-highest ranking; and so on.

(3) If, after the first round of vote tabulation, no candidate has received a majority vote, the candidate with the fewest votes shall be defeated and the votes for that defeated candidate shall not be counted for that candidate and shall instead be added to the totals of each ballot's next-ranked candidate, as applicable, who has not been defeated.

(4) Vote tabulation shall proceed in such sequential rounds until one candidate receives a majority vote.

(d) The person who first nominated a candidate may withdraw that candidate's name at any time; a withdrawal may be complete or may be limited to one or more vacancies. A candidate for any office having more than one vacancy who is defeated for the first vacancy shall automatically be a candidate for successive vacancies, unless the nomination is voluntarily withdrawn.

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

Bills Referred

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

H. 83.

An act relating to female genital cutting.

To the Committee on Judiciary.

H. 132.

An act relating to adopting protections against housing discrimination for victims of domestic and sexual violence.

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

H. 351.

An act relating to workers' compensation, unemployment insurance, and ski tramway amendments.

To the Committee on Finance.

H. 436.

An act relating to international wills.

To the Committee on Judiciary.

Н. 523.

An act relating to miscellaneous changes to the State's retirement systems.

To the Committee on Government Operations.

Н. 532.

An act relating to fiscal year 2019 budget adjustments.

To the Committee on Appropriations.

Bill Amended; Third Reading Ordered

S. 32.

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

An act relating to the public financing of campaigns.

Reported recommending that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following: Sec. 1. 17 V.S.A. chapter 61, subchapter 5 is amended to read:

Subchapter 5. Public Financing Option

§ 2981. DEFINITIONS

As used in this subchapter:

(1) "Affidavit" means the Vermont campaign finance affidavit required under section 2982 of this chapter subchapter.

(2) "General election period" means the period beginning the day after the primary election and ending the day of the general election.

(3) "Primary election period" means the period beginning the day after primary petitions must be filed under section 2356 of this title and ending the day of the primary election.

(4) "Vermont campaign finance qualification period" means the period beginning February 15 of each even-numbered year at the start of the two-year general election cycle and ending on the date on which primary petitions must be filed under section 2356 of this title.

* * *

§ 2983. VERMONT CAMPAIGN FINANCE GRANTS; CONDITIONS

(a) A person shall not be eligible for Vermont campaign finance grants if, prior to February 15 of the general election year during any two-year general election cycle the Vermont campaign finance qualification period, he or she becomes a candidate by announcing that he or she seeks an elected position as for Governor or Lieutenant Governor or by accepting contributions totaling \$2,000.00 or more or by making expenditures totaling \$2,000.00 or more.

(b) A candidate who accepts Vermont campaign finance grants shall:

(1) not solicit, accept, or expend any contributions except qualifying contributions, Vermont campaign finance grants, and contributions authorized under section 2985 of this chapter subchapter, which contributions may be solicited, accepted, or expended only in accordance with the provisions of this subchapter;

(2) deposit all qualifying contributions, Vermont campaign finance grants, and any contributions accepted in accordance with the provisions of section 2985 of this chapter subchapter in a federally insured noninterest-bearing checking account; and

(3) not later than 40 days after the general election, deposit in the Secretary of State Services Fund, after all permissible expenditures have been paid, the balance of any amounts remaining in the account established under subdivision (2) of this subsection.

* * *

§ 2985. VERMONT CAMPAIGN FINANCE GRANTS; AMOUNTS; TIMING

(a)(1) The Secretary of State shall make grants from the Secretary of State Services Fund in separate grants for the primary and general election periods to candidates who have qualified for Vermont campaign finance grants under this subchapter.

(2)(A) To cover any campaign finance grants to candidates who have qualified under this subchapter, the Secretary of State shall report to the Commissioner of Finance and Management, who shall anticipate receipts to the Services Fund and issue warrants to pay for those grants.

(B) The Commissioner shall report any such anticipated receipts and warrants issued under this subdivision to the Joint Fiscal Committee on or before December 1 of the year in which the warrants were issued.

(b)(1) Whether Except as provided in subdivision (2) of this subsection and subsection (c) of this section, whether a candidate has entered a primary or is an independent candidate, Vermont campaign finance grants shall be in the following amounts:

(1)(A) For Governor, 150,000.00 in a primary election period and 450,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions.

(2)(B) For Lieutenant Governor, 50,000.00 in a primary election period and 150,000.00 in a general election period, provided that the grant for a primary election period shall be reduced by an amount equal to the candidate's qualifying contributions;

(3)(2) A candidate who is an incumbent of the office being sought shall be entitled to receive a grant in an amount equal to 85 percent of the amount listed in subdivision (1) or (2) of this subsection.

(c) In an uncontested general election and in the case of a candidate who enters a primary election and is unsuccessful in that election, an otherwise eligible candidate shall not be eligible for a general election period grant. However, such candidate may solicit and accept contributions and make expenditures as follows: contributions shall be subject to the limitations set forth in subchapter 3 of this chapter, and expenditures shall be limited to an amount equal to the amount of the grant set forth in subsection (b) of this section for the general election for that office. (d) Grants awarded in a primary election period but not expended by the candidate in the primary election period may be expended by the candidate in the general election period.

(e)(1) Vermont campaign finance grants for a primary election period shall be paid to qualifying candidates within the first 10 business days of the primary election period.

(2) Vermont campaign finance grants for a general election period shall be paid to qualifying candidates during the first 10 business days of the general election period.

§ 2985a. PRIMARY ELECTION PERIOD; PERMITTED ADVANCED GENERAL ELECTION GRANT

(a) Notwithstanding the timing of grants set forth in subsection 2985(e) of this subchapter, a candidate who has received a campaign finance grant in a primary election period may also obtain and expend during the primary election period up to 25 percent of his or her general election period grant.

(b) The permitted general election period grant amount shall be distributed to the publicly financed primary candidate within three business days of the candidate's written request for such amount.

(c)(1) A publicly financed primary candidate who obtains a portion of his or her general election period grant under this section and who wins the primary shall be limited to the remaining balance of the general election grant amount during the general election period.

(2) A publicly financed candidate who obtains a portion of his or her general election period grant under this section and who is unsuccessful in the primary shall be required to deposit in the Secretary of State Services Fund an amount equal to that portion of the general election period grant not later than 40 days after the end of the two-year general election cycle.

* * *

Sec. 2. PUBLIC CAMPAIGN FINANCE STUDY COMMITTEE; REPORT

(a) Creation. There is created the Public Campaign Finance Study Committee to study and make recommendations regarding Vermont's current public campaign finance option.

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

(1) one current member of the Senate, who shall be appointed by the Committee on Committees and who shall be Co-Chair;

(2) one current member of the House of Representatives, who shall be appointed by the Speaker of the House and who shall be Co-Chair;

(3) the Secretary of State or designee;

(4) the Attorney General or designee; and

(5) the Executive Director of the State Ethics Commission or designee.

(c) Powers and duties. The Committee shall consult with interested stakeholders to study and make recommendations on Vermont's current public campaign finance option (Option), including the following issues:

(1) whether the structure of the Option is appropriate or whether Vermont should instead enact a different public campaign finance system, such as one based on vouchers as in the Seattle Democracy Voucher Program, or one that provides supplemental payments based on the amount of qualifying contributions as in the Maine Clean Election Act;

(2) if Vermont should retain the Option:

(A) whether the current qualifying contributions and grant amounts for candidates for Governor and Lieutenant Governor are appropriate;

(B) whether the Option should be extended to other offices and, if so, which offices and what the qualifying contributions and grant amounts should be for each office; and

(C) how it may be improved; and

(3) what the funding source should be for either the Option or any recommended substitute.

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

(e) Report. On or before December 1, 2019, the Committee shall report to the Senate and House Committees on Government Operations with its findings and any recommendations for legislative action. The report may be in the form of legislation.

(f) Meetings.

(1) The Co-Chairs shall call the first meeting of the Committee to occur on or before August 15, 2019.

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

(3) The Committee shall cease to exist on December 1, 2019.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the member's appointing authority.

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 1 shall take effect on December 11, 2020.

And that when so amended the bill ought to pass.

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

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

Bills Amended; Third Readings Ordered

S. 146.

Senator McCormack, for the Committee on Appropriations, to which was referred Senate committee bill entitled:

An act relating to substance misuse prevention.

Reported recommending that the bill be amended as follows:

<u>First</u>: In Sec. 1, by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) to explore funding opportunities for the prevention of substance misuse prevention; and

Second: By striking out Sec. 8 in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec. 8. [Deleted.]

And that when so amended the bill ought to pass.

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

S. 164.

Senator Kitchel, for the Committee on Appropriations, to which was referred, Senate committee bill entitled:

An act relating to miscellaneous changes to education law.

Reported recommending that the bill be amended as follows:

<u>First</u>: In Sec. 3 (Task Force on Campus Sexual Harm) in subsection (b), by striking out the number "15" and inserting in lieu thereof the number 17

<u>Second</u>: In Sec. 3 (Task Force on Campus Sexual Harm) in subsection (b), by striking out subdivisions (10) and (11) in their entirety and inserting in lieu thereof four new subdivisions to be number (10) through (13) to read as follows:

(10) one community-based restorative justice practitioner, appointed by the Community Justice Network of Vermont;

(11) one representative appointed by the Pride Center of Vermont;

(12) one representative appointed by the Vermont Office of the Defender General; and

(13) one representative appointed by the Vermont Department of State's Attorneys and Sheriffs.

<u>Third</u>: By striking out Sec. 4 (Delivery of Vermont Technical College Certificate and Degree Programs at Career Technical Education Centers in Vermont; Study; Pilot Program) and its reader assistance heading in its entirety.

And by renumbering the remaining section to be numerically correct.

And that when so amended the bill ought to pass.

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

Bills Amended; Third Readings Ordered

S. 58.

Senator Pearson, for the Committee on Agriculture, to which was referred Senate bill entitled:

An act relating to the State hemp program.

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

Sec. 1. 6 V.S.A. chapter 34 is amended to read:

CHAPTER 34. HEMP

§ 561. FINDINGS; INTENT

(a) Findings.

* * *

(5) The federal Agricultural Act of 2014, Pub. L. No. 113-79 authorized Section 10113 of the Agriculture Improvement Act of 2018, Pub. L. No. 115-<u>334</u> authorizes the growing, cultivation, and marketing of industrial hemp, notwithstanding restrictions under the federal Controlled Substances Act, if certain criteria are satisfied under a U.S. Department of Agriculture approved State program.

(b) Purpose. The intent of this chapter is to establish policy and procedures for growing, processing, on-site processing, testing, and marketing hemp and <u>hemp products</u> in Vermont that comply with federal law so that farmers and other businesses in the Vermont agricultural industry can take advantage of this market opportunity.

§ 562. DEFINITIONS

As used in this chapter:

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

(2)(A) "Grow" means:

(i) planting, cultivating, harvesting, or drying of hemp; and

(ii) selling, storing, and transporting hemp grown by a grower.

(B) "Grow" may be used interchangeably with the word "produce."

(3) "Grower" means a person who is registered with the Agency to produce hemp crops.

(4) "Hemp products" or "hemp-infused products" means all products made from hemp with the federally defined tetrahydrocannabinol concentration level for hemp derived from, or made by, processing hemp plants or plant parts, that are prepared in a form available for commercial sale, including cosmetics, personal care products, food intended for animal or human consumption, cloth, cordage, fiber, food, fuel, paint, paper, construction materials, plastics, seed, seed meal, seed oil, and certified seed for cultivation and any product containing one or more hemp-derived cannabinoids, such as cannabidiol.

(3)(5) "Hemp" or "industrial hemp" means the plant Cannabis sativa L. and any part of the plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis including the seeds and all derivatives, extracts, cannabinoids, acids, salts, isomers, and salts of isomers, whether growing or not, with the federally defined tetrahydrocannabinol concentration level of hemp. "Hemp" shall be considered an agricultural commodity.

(6) "On-site process" means growing hemp and processing hemp or hemp products at the location where hemp is grown, provided that more than 50 percent of the hemp or hemp products processed at the location shall be grown at the registered location.

(7) "On-site processor" means a person registered with the Agency to on-site process hemp or hemp products.

(8) "Process" means the storing, drying, trimming, handling, compounding, or converting of a hemp crop by a processor for a single grower or multiple growers into hemp products or hemp-infused products. "Process" includes transporting, aggregating, or packaging hemp from a single grower or multiple growers.

(9) "Processor" means a person who is registered with the Agency to process hemp crops. A retail establishment selling hemp products or hemp-infused products is not a processor.

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

§ 563. HEMP; AN AGRICULTURAL PRODUCT

Industrial hemp is an agricultural product that may be grown as a crop produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter <u>and section 10113 of the Agriculture</u> <u>Improvement Act of 2018, Pub. L. No. 115-334</u>. The cultivation of industrial hemp shall be subject to and comply with the required agricultural practices adopted under section 4810 of this title.

§ 564. <u>STATE HEMP PROGRAM;</u> REGISTRATION; <u>APPLICATION;</u> ADMINISTRATION; <u>PILOT PROJECT</u>

(a) The Secretary shall establish a pilot program to research the growth, eultivation, and marketing of industrial hemp. Under the pilot program, the Secretary shall register persons who will participate in the pilot program through growing or cultivating industrial hemp. The Secretary shall certify the

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site where industrial hemp will be cultivated by each person registered under this chapter. A person who intends to participate in the pilot program and grow industrial hemp shall register with the Secretary and submit on a form provided by the Secretary the following:

(1) the name and address of the person;

(2) a statement that the seeds obtained for planting are of a type and variety that do not exceed the maximum concentration of tetrahydrocannabinol set forth in subdivision 562(3) of this title; and

(3) the location and acreage of all parcels sown and other field reference information as may be required by the Secretary.

(b) The form provided by the Secretary pursuant to subsection (a) of this section shall include a notice statement that:

(1) cultivation and possession of industrial hemp in Vermont is a violation of the federal Controlled Substances Act unless the industrial hemp is grown, cultivated, or marketed under a pilot program authorized by section 7606 of the federal Agricultural Act of 2014, Pub. L. No. 113-79;

(2) federal prosecution for growing hemp in violation of federal law may include criminal penalties, forfeiture of property, and loss of access to federal agricultural benefits, including agricultural loans, conservation programs, and insurance programs; and

(3) registrants may purchase or import hemp genetics from any state that complies with federal requirements for the cultivation of industrial hemp.

(c) A person registered with the Secretary pursuant to this section shall allow industrial hemp crops, throughout sowing, growing season, harvest, storage, and processing, to be inspected and tested by and at the discretion of the Secretary or designee. The Secretary shall retain tests and inspection information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.

(d) The Secretary may assess an annual registration fee of \$25.00 for the performance of his or her duties under this chapter The Secretary shall establish and administer a State Hemp Program to regulate the growing, processing, on-site processing, testing, and marketing of industrial hemp and hemp products in the State.

(b)(1) A person shall register annually with the Secretary as part of the State Hemp Program in order to grow, process, on-site process, or test hemp or hemp products in the State. A person shall apply for registration or renewal of a registration on a form provided by the Secretary. The application shall be

accompanied by the fee required under section 569 of this title. The application or renewal form shall include:

(A) the name and address of the person applying for or renewing a registration;

(B) whether the person is applying to grow, process, on-site process, or test hemp or hemp products;

(C) for a person applying as a grower:

(i) the location and acreage of all parcels where hemp will be grown;

(ii) a statement that the seeds obtained for planting are of a type and variety that do not exceed the federally defined tetrahydrocannabinol concentration level of hemp;

(D) for a person applying as a processor, the location of the processing site;

(E) for a person applying as an on-site processor:

(i) the location and acreage of all parcels where hemp will be grown;

(ii) a statement that the seeds obtained for planting are of a type and variety that do not exceed the federally defined tetrahydrocannabinol concentration level of hemp; and

(iii) a statement that no more than 50 percent of the hemp or hemp products processed at the location shall originate from or be grown at a location away from the registered location.

(F) for a person applying to test hemp or hemp products, the location of the site where testing will occur and any proof of certification required by the Secretary; and

(G) any additional information that the Secretary may require by rule.

(2) The Secretary may verify the information provided in the application or renewal form under subdivision (1) of this subsection and on any maps accompanying the application or renewal form and may request additional information in order to perform a review of an application for registration or renewal.

(c) The Secretary may deny an application for registration or renewal if the applicant:

(1) does not provide all the information requested on the application or renewal form;

(2) fails to submit the fee required under section 569 of this title;

(3) fails to submit additional information requested by the Secretary under subsection (a) of this section; or

(4) does not, as determined by the Secretary, satisfy the requirements of section 10113 of the Agriculture Improvement Act of 2018, Pub. L. No. 115-334 for participation in the Program.

(d) A person registered under this section may purchase or import hemp genetics from any state that complies with the federal requirements for the cultivation of industrial hemp.

(e) A person registered with the Secretary under this section to grow, process, on-site process, or test hemp crops or hemp products, shall allow the Secretary to inspect hemp crops, processing sites, or laboratories registered under the State Hemp Program. The Secretary shall retain tests and inspection information collected under this section for the purposes of research of the growth and cultivation of industrial hemp.

(f) The name and general location of a person registered under this section shall be available for inspection and copying under the Public Records Act, provided that all records produced or acquired by the Agency of Agriculture, Food and Markets related to the location of parcels where hemp will be grown, including coordinates, maps, and parcel identifiers, shall be confidential and shall not be disclosed for inspection and copying under the Public Records Act.

§ 566. RULEMAKING AUTHORITY

(a) The Secretary may adopt rules to provide for the implementation of this chapter and the <u>pilot project program</u> authorized under this chapter, which may include rules to:

(1) require hemp to be tested during growth for tetrahydrocannabinol levels;

(2) authorize or specify the method or methods of testing hemp, including, where appropriate, the ratio of cannabidiol to tetrahydrocannabinol levels or a taxonomic determination using genetic testing; and

(3) to require inspection and supervision of hemp during sowing, growing season, harvest, storage, and processing. The Secretary shall not adopt under this or any other section a rule that would prohibit a person to grow hemp based on the legal status of hemp under federal law; and

(4) require labels or label information for hemp products in order to provide consumers with product content or source information or to conform with federal requirements.

(b) The Secretary shall adopt rules establishing how the Agency of Agriculture, Food and Markets will conduct research within the pilot program for industrial hemp.

(c) The Secretary shall adopt rules establishing requirements for the registration of processors of hemp and hemp-infused products.

* * *

§ 569. REGISTRATION FEES

(a) A person applying for a registration or renewal under section 564 of this title annually shall pay the following fees:

(1) for an application or renewal of registration to grow hemp for seed, grain crop, fiber, or textile: \$100.00;

(2) for an application or renewal of registration to grow hemp for floral material production, and viable seed, or cannabinoids, including Cannabidiolic Acid (CBDA), Cannabidiol (CBD), Cannabinol (CBN), Cannabigerol (CBG), Cannabichromene (CBD), or Tetrahydrocannabivarin (THCV) the following fee each year based on the number of acres planted:

Acres of Hemp Grown	Fee
for floral material or	
Cannabinoids	
Less than 0.5	<u>\$50.00</u>
<u>0.5 to 9.9</u>	\$250.00
<u>10 to 50</u>	\$500.00
Greater than 50	\$1,500.00

(3) for an application or renewal of registration to process floral material from hemp or manufacture of hemp-infused products: \$1,500.00;

(4) for an application or renewal of registration as a laboratory certified to conduct testing of hemp and hemp products as part of the Agency's cannabis control program: \$1,500.00; and

(5) for an application or renewal of registration as an on-site processor, twice the fee that on-site processor would pay under subdivision (2) of this subsection if applying solely to grow hemp for floral material production, and viable seed, or cannabinoid. (b) A person registered to grow hemp for floral material production, and viable seed, or cannabinoids shall not grow more acres of hemp per year than the amount identified in a registration without first notifying the Secretary and paying the additional annual registration fee under subdivision (a)(2) of this section.

§ 570. STATE HEMP PROGRAM SPECIAL FUND

(a) There is created the State Hemp Program Special Fund to be administered by the Secretary of Agriculture, Food and Markets. The Fund shall consist of:

(1) appropriations or revenues dedicated for deposit into the Fund by the General Assembly;

(2) registration fees collected under this chapter; and

(3) gifts, donations, or other funds received from any source, public or private, dedicated for deposit into the Fund and approved by the Secretary of Administration.

(b) The Secretary of Agriculture, Food and Markets may use monies deposited in the Fund for the costs of personnel, program administration, testing, and other costs incurred by the Agency of Agriculture, Food and Markets in administration and implementation of the requirements of this chapter and in conducting industrial hemp research under this chapter.

(c) Notwithstanding the requirements of 32 V.S.A. § 588(3), interest earned by the Fund shall be retained in the Fund from year to year.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

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

<u>First</u>: In Sec. 1 by striking out 6 V.S.A. § 569 (registration fees) in its entirety and inserting in lieu thereof the following:

§ 569. REGISTRATION FEES

(a) A person applying for a registration or renewal under section 564 of this title annually shall pay the following fees:

(1) for an application to grow less than 0.5 acres of hemp for personal use: \$25.00;

(2) for an application or renewal of registration to grow or process hemp seed for food oil production, grain crop, fiber, or textile: \$100.00;

(3) except as provided for in subdivision (4) of this subsection, for an application or renewal of registration to grow, process, or grow and process hemp commercially for floral material production, viable seed, or cannabinoids, including cannabidiolic acid (CBDA), cannabidiol (CBD), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), or tetrahydrocannabivarin (THCV), the following fee based on the greater of the number of acres planted or the weight of hemp or viable seed processed:

Acres of Hemp Grown or	Fee
Pounds of Hemp Processed or	
Viable Seed Cultivated	
Annually for Floral Material or	
Cannabinoids	
Less than 0.5 acres or less than 500 pounds	<u>\$100.00</u>
0.5 to 9.9 acres or less than 10,000 pounds	<u>\$500.00</u>
10 to 50 acres or less than 50,000 pounds	<u>\$1,000.00</u>
Greater than 50 acres or greater than	
<u>50,000 pounds</u>	\$3,000.00

(4) for an application or renewal of registration to operate exclusively within an indoor facility in order to grow, process, or grow and process hemp commercially for floral material production, viable seed, or cannabinoids, including cannabidiolic acid (CBDA), cannabidiol (CBD), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), or tetrahydrocannabivarin (THCV): \$2,000.00; and

(5) for an application or renewal of registration as a laboratory certified to conduct testing of hemp and hemp products as part of the Agency's cannabis control program: \$1,500.00.

(b) A person registered to grow, process, or grow and process hemp for floral material production, viable seed, or cannabinoids shall not grow more acres of hemp per year than the amount identified in a registration without first notifying the Secretary and paying an additional registration fee if necessary under subsection (a) of this section.

<u>Second</u>: By striking out Sec. 2 (effective date) in its entirety and inserting in lieu thereof two new sections to be numbered Secs. 2 and 3 to read as follows:

Sec. 2. TRANSITION; COLLECTION OF REGISTRATION FEE

Beginning on January 1, 2020, the Secretary of Agriculture, Food and Markets shall initiate collection under 6 V.S.A. § 569 of the registration fees to grow hemp, process hemp, grow and process hemp, or operate a certified laboratory to test hemp in the State. Prior to January 1, 2020, the Secretary of Agriculture, Food and Markets shall collect a registration fee of \$25.00 for any registration under 6 V.S.A. chapter 34 (State Hemp Program).

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported that the bill ought to pass.

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

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

Thereupon, third reading of the bill was ordered.

S. 117.

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

An act relating to the therapeutic use of cannabis.

Reported recommending that the bill be amended by adding two new sections to be numbered Secs. 8 and 9 to read as follows:

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

<u>§ 4474n. USE OF U.S. FOOD AND DRUG ADMINISTRATION-</u> <u>APPROVED DRUGS CONTAINING ONE OR MORE</u> <u>CANNABINOIDS</u>

(a) Upon approval by the U.S. Food and Drug Administration (FDA) of one or more prescription drugs containing one or more cannabinoids, the following activities shall be lawful in Vermont:

(1) the clinically appropriate prescription for a patient of an FDAapproved prescription drug containing one or more cannabinoids by a health care provider licensed to prescribe medications in this State and acting within his or her authorized scope of practice;

(2) the dispensing, pursuant to a valid prescription, of an FDA-approved prescription drug containing one or more cannabinoids to a patient or a patient's authorized representative by a pharmacist or by another health care provider licensed to dispense medications in this State and acting within his or her authorized scope of practice;

(3) the possession and transportation of an FDA-approved prescription drug containing one or more cannabinoids by a patient to whom a valid prescription was issued or by the patient's authorized representative;

(4) the possession and transportation of an FDA-approved prescription drug containing one or more cannabinoids by a licensed pharmacy or wholesaler in order to facilitate the appropriate dispensing and use of the drug; and

(5) the use of an FDA-approved prescription drug containing one or more cannabinoids by a patient to whom a valid prescription was issued, provided the patient uses the drug only for legitimate medical purposes in conformity with instructions from the prescriber and dispenser.

(b) Upon approval by the U.S. Food and Drug Administration of one or more prescription drugs containing one or more cannabinoids, the Department of Health shall amend its rules to conform to the provisions of subsection (a) of this section.

Sec. 9. REPEAL

2017 Act and Resolves No. 62, Sec. 8 (use of U.S. Food and Drug Administration-approved drugs containing cannabidiol) is repealed.

And by renumbering the remaining section to be numerically correct.

And that when so amended the bill ought to pass.

Senator Pearson, for the Committee on Finance, to which the bill was referred, reported recommending that the bill be amended as follows:

<u>First</u>: By striking out Sec. 3, 18 V.S.A. § 4474a in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. 18 V.S.A. § 4474a is amended to read:

§ 4474a. REGISTRATION; FEES

(a) The Department shall collect a fee of \$50.00 for the application authorized by sections 4473 and 4474 of this title. The fees received by the

Department shall be deposited into a registration fee fund and used to offset the costs of processing applications under this subchapter.

(b) A registration card shall expire one year after the date of issue, with the option of renewal, provided the patient submits. A patient may renew his or her registration card as follows:

(1) A patient may submit a new application which is approved by to the Department of Public Safety, pursuant to section 4473 or 4474 of this title, and pays pay the fee required under subsection (a) of this section.

(2) If the medical verification form submitted by a patient pursuant to subdivision 4473(b)(2) of this chapter states that the debilitating medical condition is incurable, a patient who chooses to renew shall not be required to submit a new application but shall be required to pay the fee required under subsection (a) of this section.

<u>Second</u>: By adding a new section to be numbered Sec. 3a to read as follows:

Sec. 3a. DEPARTMENT OF PUBLIC SAFETY

The Department of Public Safety shall amend the medical verification form as necessary to implement Sec. 3 of this act.

And that when so amended the bill ought to pass.

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

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

Thereupon, third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 39.

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

An act relating to the extension of the deadline of school district mergers required by the State Board of Education.

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

Sec. 1. SCHOOL DISTRICT MERGERS; STATE BOARD OF EDUCATION ORDER

(a) Statement of intent.

(1) 2017 Acts and Resolves No. 49 made "useful changes to the merger time lines" contained in 2015 Acts and Resolves No. 46 "without weakening or eliminating the Act's fundamental phased merger and incentive structures and requirements." Act 49 reemphasized this point by noting that "[n]othing in this act should be interpreted to suggest that it is acceptable for a school district to fail to take reasonable and robust action to seek to meet the goals of Act 46."

(2) Similarly, nothing in this act, which permits a final extension of the deadline for mergers required by the State Board of Education, should be interpreted to weaken or undermine in any way the State Board's final merger order of November 28, 2018 or to encourage delay for school districts that want to merge on July 1, 2019. Except as modified by this act, school districts remain under all obligations under Acts 46 and 49, whether or not they choose to delay the operational date of their merger.

(b) Definitions. As used in this section:

(1) "Default Articles" means the Default Articles of Agreement issued with the State Board Report.

(2) "Existing district" means a union school district created by vote of the electorate on or after July 1, 2014 into which a merging district is ordered by the State Board Order to merge.

(3) "Forming district" means a school district that is ordered by the State Board Order to merge with other forming districts to create a newly formed district.

(4) "Initial members" mean the initial members of the board of a newly formed district elected under Article 10 of the default articles.

(5) "Merging district" means a school district that is ordered by the State Board Order to merge into an existing district.

(6) "Newly formed district" means a union school district that is formed by the State Board Order by merging forming districts.

(7) "State Board Order" means the section of the State Board Report entitled "State Board of Education's 'order merging and realigning districts and supervisory unions where necessary pursuant to Act 46, Sec. 10(b).""

(8) "State Board Report" means the "Final Report of the Decisions and Order on Statewide School District Merger Decisions Pursuant to Act 46, Sections 8(b) and 10" issued by the State Board of Education dated November 28, 2018.

(c) Notwithstanding any provision of law to the contrary:

(1) Merger deadline extension.

(A) Except as provided in subdivisions (1)(B) and (C) of this subsection, the operational deadline for school district mergers under the State Board Order shall be on July 1, 2019 or July 1, 2020.

(i) For the mergers of forming districts into a newly formed district, the school board of the newly formed district, operating in accordance with the default articles, shall, on or before June 30, 2019, determine, by majority vote of the initial members representing a quorum, the operational date of merger.

(ii) For the merger of a merging district into an existing district, the school board of the existing district shall, on or before June 30, 2019, determine, by majority vote of members representing a quorum, the operational date of merger.

(B) The operational deadline for school district mergers under the State Board Order shall be on July 1, 2019 if the relevant board does not, on or before June 30, 2019, determine the operational date of the merger under subdivision (1)(A) of this subsection.

(C) The deadline for mergers that, in the State Board Order, are conditioned upon approval of voters of the existing district shall be as specified in the State Board Order.

(2) Default Articles. The Default Articles for each newly formed district that has an operational deadline of July 1, 2020 are amended as follows:

(A) by striking out the date "June 30, 2019" wherever it appears and inserting in lieu thereof the date "June 30, 2020";

(B) by striking out the date "July 1, 2019" wherever it appears and inserting in lieu thereof the date "July 1, 2020"; provided, however, the date "July 1, 2019" shall not be changed in Article 9;

(C) by striking out the date "December 31, 2019" wherever it appears and inserting in lieu thereof the date "December 31, 2020";

(D) by striking out the date "July 1, 2020" wherever it appears and inserting in lieu thereof the date "July 1, 2021";

(E) by striking out the academic year "2019–2020" wherever it appears and inserting in lieu thereof the academic year "2020–2021";

(F) by striking out the academic year "2020–2021" wherever it appears and inserting in lieu thereof the academic year "2021–2022";

(G) by striking out the academic year "2021–2022" wherever it appears and inserting in lieu thereof the academic year "2022–2023"; and

(H) by striking out the fiscal year "2020" wherever it appears and inserting in lieu thereof the fiscal year "2021".

(3) Small schools grant.

(A) If a forming district or merging district that merges under the State Board Order has an operational merger date of July 1, 2019, and that district was an "eligible school district" as defined in 16 V.S.A. § 4015, as in effect on June 30, 2019, that received a small schools support grant under that section in the fiscal year two years prior to the first fiscal year of merger, then the newly formed district or existing district, as applicable, shall receive an annual small schools support grant in an amount equal to the small schools support grant received by the forming district or merging district, as applicable, in the fiscal year two years prior to the first fiscal year of merger. If more than one forming district or merging district was an eligible school district and merged into the same newly formed district or existing district, as applicable, then the small schools support grant for the newly formed district or existing district, as applicable, shall be in an amount equal to the total combined small schools support grants the forming districts or the merging districts, as applicable, received in the fiscal year two years prior to the first fiscal year of merger.

(B) Payment of the grant under subdivision (3)(A) of this subsection shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following closure by the school district of a school that qualified the district for the grant; and further provided that if a school building that housed a school that qualified the district for the grant is closed in order to consolidate with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

(4) Union school district budget.

(A) If the first budget of a newly formed district has not been approved by voters on or before June 30 for the 2020 or 2021 fiscal year, the Agency of Education shall authorize an amount of education spending for that newly formed district equal to:

(i) the cumulative education spending amount authorized by the most recently voter approved school budgets of the forming districts; multiplied by

(ii) the percentage that represents the average statewide increase from the prior fiscal year to the current fiscal year in school district education spending authorized by voter approved school district budgets, based on data received by the Agency of Education on or before June 14 of the prior fiscal year. As used in this subdivision (ii), for mergers under the State Board Order that are operational on July 1, 2019, the prior fiscal year shall be fiscal year 2019 and the current fiscal year shall be fiscal year 2020, and for mergers under the State Board Order that are operational on July 1, 2020, the prior fiscal year shall be fiscal year shall be fiscal year shall be fiscal year 2021.

(B) The amount authorized by the Agency of Education under subdivision (4)(A) of this subsection shall be the "education spending" of the newly formed district for the relevant fiscal year under 16 V.S.A. chapter 133.

(C) The school board of the newly formed district, operating in accordance with the default articles, shall determine how funds shall be expended in the relevant fiscal year under this subdivision (4). In addition, the school board of the newly formed district shall have the authority to expend any other funds received from other sources in the relevant fiscal year under this subdivision (4), including endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under 16 V.S.A. chapter 101.

Sec. 2. 16 V.S.A. § 4015 is amended to read:

§ 4015. SMALL SCHOOL SUPPORT

(a) In this section:

* * *

(2) "Enrollment" means the number of students who are enrolled in a school operated by the district on October 1. A student shall be counted as one whether the student is enrolled as a full-time or part-time student. <u>Students</u> enrolled in prekindergarten programs shall not be counted.

* * *

Sec. 3. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 2 (small school support) shall take effect on July 1, 2019.

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

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Education?, Senator Baruth moved to amend the proposal of amendment of the Committee on Education in Sec. 1, subsection (c), by striking out subdivision (2) in its entirety and inserting in lieu thereof the following:

(2) Default Articles. The Default Articles for each newly formed district that has an operational deadline of July 1, 2020 are amended as follows:

(A) by striking out the date "June 30, 2019" wherever it appears and inserting in lieu thereof the date "June 30, 2020";

(B) by striking out the date "July 1, 2019" wherever it appears and inserting in lieu thereof the date "July 1, 2020"; provided, however, the date "July 1, 2019" shall not be changed in Article 9 (Transitional Board);

(C) by striking out the date "December 31, 2019" wherever it appears and inserting in lieu thereof the date "December 31, 2020";

(D) by striking out the date "July 1, 2020" wherever it appears and inserting in lieu thereof the date "July 1, 2021";

(E) by striking out the academic year "2019–2020" wherever it appears and inserting in lieu thereof the academic year "2020–2021";

(F) by striking out the academic year "2020–2021" wherever it appears and inserting in lieu thereof the academic year "2021–2022";

(G) by striking out the academic year "2021–2022" wherever it appears and inserting in lieu thereof the academic year "2022–2023";

(H) by striking out the fiscal year "2020" wherever it appears and inserting in lieu thereof the fiscal year "2021", provided, however, the fiscal year shall not be changed in Article 9(D)(i) (Transitional Board; Specific Duties; First Draft of Proposed Budget) and Article 10(D)(iii)(b) (New Union

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District Board of School Directors-Initial Members; Swearing-in and Assumption of Duties; Presentation of Proposed Budget);

(I) by striking out Article 9(D)(i) (Transitional Board; Specific Duties; First Draft of Proposed Budget) and Article 10(D)(iii)(b) (New Union District Board of School Directors-Initial Members; Swearing-in and Assumption of Duties; Presentation of Proposed Budget) in their entirety; and

(J) by making conforming changes to cross-referenced years in Article 14 (Amendments).

Which was agreed to.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Education, as amended?, Senators Kitchel, Baruth, Benning, Starr and Westman moved to amend the proposal of amendment of the Committee on Education, as amended, by striking out Sec. 2 in its entirety and inserting in lieu thereof the following:

Sec. 2. 16 V.S.A. § 4015 is amended to read:

§ 4015. SMALL SCHOOL SUPPORT

(a) In <u>As used in</u> this section:

* * *

(2) "Enrollment" means the number of students who are enrolled in a school operated by the district on October 1. A student shall be counted as one whether the student is enrolled as a full-time or part-time student. <u>Students</u> enrolled in prekindergarten programs shall not be counted.

* * *

(f) In determining whether a school district is an eligible school district under subdivision (1)(B)(ii)(III) of subsection (a), under which the State Board considers a school's student-to-staff ratio in assessing its operational efficiency, the State Board shall not count a person who works in a school as a member of that school's staff if:

(1) the person is employed by another school district (the sending school district);

(2) the sending school district and the school district responsible for the school (the receiving school district) have a reciprocity agreement under which they share staff; and

(3) the person is working in the school in the receiving district under the reciprocity agreement to support a student from the sending school district who is receiving special education services.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Education, as amended was agreed to, on a roll call, Yeas 26, Nays 3.

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

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Cummings, Hardy, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: Collamore, Hooker, McNeil.

The Senator absent or not voting was: Ashe (presiding).

Thereupon, third reading of the bill was ordered.

Adjournment

On motion of Senator Mazza, the Senate adjourned until ten o'clock and twenty-five minutes in the morning.

WEDNESDAY, MARCH 27, 2019

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

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 33

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 460. An act relating to sealing and expungement of criminal history records.

H. 525. An act relating to miscellaneous agricultural subjects.

H. 527. An act relating to Executive Branch and Judicial Branch fees.

H. 528. An act relating to the Rural Health Services Task Force.

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

Bill Referred to Committee on Finance

Н. 532.

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

An act relating to fiscal year 2019 budget adjustments.

Bills Referred

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

H. 460.

An act relating to sealing and expungement of criminal history records.

To the Committee on Rules.

H. 525.

An act relating to miscellaneous agricultural subjects.

To the Committee on Agriculture.

H. 527.

An act relating to Executive Branch and Judicial Branch fees.

To the Committee on Finance.

H. 528.

An act relating to the Rural Health Services Task Force.

To the Committee on Health and Welfare.

Joint Assembly

At ten o'clock and thirty minutes in the morning, the hour having arrived for the meeting of the two Houses in Joint Assembly pursuant to:

J.R.S. 17. Joint resolution providing for a Joint Assembly to vote on the retention of eight Superior Judges and one Magistrate.

The Senate repaired to the hall of the House.

Having returned therefrom, at twelve o'clock and fifty minutes in the afternoon, the President *pro tempore* assumed the Chair.

Adjournment

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

Called to Order

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

Bills Passed

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

S. 32. An act relating to the public financing of campaigns.

S. 58. An act relating to the State hemp program.

S. 117. An act relating to the therapeutic use of cannabis.

S. 146. An act relating to substance misuse prevention.

S. 164. An act relating to miscellaneous changes to education law.

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

Н. 39.

House bill entitled:

An act relating to the extension of the deadline of school district mergers required by the State Board of Education.

Was taken up.

Thereupon, pending third reading of the bill, Senators Parent, Baruth, Hardy, Ingram, McNeil and Perchlik moved to amend the Senate proposal of amendment as follows:

<u>First</u>: In Sec. 1, subsection (c), by adding a new subdivision (3)(C) to read as follows:

(C)(i) This subdivision (3) shall also apply if:

(I) two or more school districts voluntarily merged to form a unified union school district that is operational on July 1, 2019;

(II) one or more of these school districts was an "eligible school district" as defined in 16 V.S.A. § 4015, as in effect on June 30, 2019,

that received a small schools support grant under that section in fiscal year 2018;

(III) the unified union school district is not eligible for incentives under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended; and

(IV) the unified union school district is an existing district, the board of which determines pursuant to subdivision (c)(1)(A)(ii) of this section that the operational date of merger of one or more merging districts into the existing district shall be July 1, 2019.

(ii) If the conditions in subdivision (i) of this subdivision (C) are met, then beginning in fiscal year 2020, the existing district, as enlarged, shall receive an annual small schools support grant in an amount equal to the small schools support grant received in fiscal year 2018 by the district or districts that originally formed it, under the same terms that apply to a newly formed district under this subdivision (c)(3).

<u>Second</u>: In Sec. 1, subsection (c), by adding a new subdivision (4)(D) to read as follows:

(D)(i) This subdivision (4) shall also apply if:

(I) two or more school districts voluntarily merged to form a unified union school district that is operational on July 1, 2019;

(II) the unified union school district is an existing district, the board of which determines pursuant to subdivision (c)(1)(A)(ii) of this section that the operational date of merger of one or more merging districts into the existing district shall be July 1, 2019; and

(III) the unified union school district is not eligible for incentives under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46, each as amended.

(ii) If the conditions in subdivision (i) of this subdivision (D) are met, then the unified union school district shall be considered a "newly formed district" under subdivision (c)(4), and the school districts that voluntarily merged to form the unified union school district and the merging districts that enlarge it shall be considered "forming districts" under subdivision (c)(4). The school board of the existing district enlarged by the merging districts, operating in accordance with its voter-approved Articles of Agreement, shall determine how funds shall be expended in fiscal year 2020.

Which was agreed to.

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

Bill Amended; Third Reading Ordered

S. 160.

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

An act relating to agricultural development.

Reported recommending that the bill be amended by striking out Sec. 18 in its entirety and inserting in lieu thereof a new Sec. 18 to read as follows:

Sec. 18. 2018 Acts and Resolves No. 194, Sec. 26b is amended to read:

Sec. 26b. REPEALS

(a) 32 V.S.A. § 9741(52) (sales tax exemption for advanced wood boilers) shall be repealed on July 1, $\frac{2021}{2023}$.

(b) Sec. 26a of this act (transfer from CEDF) shall be repealed on July 1, 2021 2023.

And that when so amended the bill ought to pass.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended by striking out Sec. 16 (appropriation) in its entirety and inserting in lieu thereof a new Sec. 16 to read as follows:

Sec. 16. IMPLEMENTATION OF LOGGER SAFETY AND VALUE-ADDED PRODUCTS PROGRAMS; FUNDING

The Commissioner of Forests, Parks and Recreation shall not implement the programs established under 10 V.S.A. §§ 2622b and 2622c (logger safety) and under 10 V.S.A. § 2702 (value-added forest products) unless and until appropriations to implement the programs are approved by the General Assembly for fiscal year 2020.

And that when so amended the bill ought to pass.

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

Thereupon, the recommendation of amendment of the Committee on Appropriation was agreed to.

Thereupon, third reading of the bill was ordered.

Bill Amended; Consideration Interrupted by Adjournment

S. 96.

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

An act relating to establishing a Clean Water Assessment to fund State water quality programs.

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

Sec. 1. 10 V.S.A. chapter 37, subchapter 5 is amended to read:

Subchapter 5. Aquatic Nuisance Control Water Quality Restoration and Improvement

§ 921. DEFINITIONS

As used in this subchapter:

(1) "Basin" means a watershed basin designated by the Secretary for use as a planning unit under subsection 1253(d) of this title.

(2) "Best management practice" or "BMP" means a schedule of activities, prohibitions, practices, maintenance procedures, green infrastructure, or other management practices to prevent or reduce water pollution.

(3) "Clean water project" means a best management practice or other program designed to improve water quality to achieve a target established under section 922 of this title that:

(A) is not subject to a permit under chapter 47 of this title, is not subject to the requirements of 6 V.S.A. chapter 215, exceeds the requirements of a permit issued under chapter 47 of this title, or exceeds the requirements of 6 V.S.A chapter 215; and

(B) is within the activities identified in subsection 924(b) of this title.

(4) "Design life" means the period of time that a clean water project is designed to operate according to its intended purpose.

(5) "Maintenance" means ensuring that a clean water project continues to achieve its designed pollution reduction value for its design life.

(6) "Standard cost" means the projected cost of achieving a pollutant load reduction per unit or per best management practice in a basin.

§ 922. WATER QUALITY IMPLEMENTATION PLANNING AND TARGETS

(a) After listing a water as impaired on the list of waters required by 33 U.S.C. § 1313(d), the Secretary shall include the following in any plan to implement the requirements of any total maximum daily load adopted for an impaired water:

(1) An evaluation of whether implementation of existing regulatory programs will achieve water quality standards in the impaired water. If the Secretary determines that existing regulatory programs will not achieve water quality standards, the Secretary shall determine the amount of additional pollutant reduction necessary to achieve water quality standards in that water. When making this determination, the Secretary may express the pollutant reduction in a numeric reduction or through defining a clean water project that must be implemented to achieve water quality standards.

(2) An allocation of the pollutant reduction identified under subdivision (a)(1) of this section to each basin and the clean water service provider assigned to that basin pursuant to subsection 924(a) of this title. When making this allocation, the Secretary shall consider the sectors contributing to the water quality impairment in the impaired water's boundaries and the contribution of the pollutant from regulated and nonregulated sources within the basin. Those allocations shall be expressed in annual pollution reduction goals and five-year pollution reduction targets.

(3) A determination of the standard cost per unit of pollutant reduction. The Secretary shall publish a methodology for determining standard cost pollutant reductions. The standard cost shall include the costs of project identification, project design, and project construction.

(b)(1) The Secretary shall conduct the analysis required by subsection (a) of this section for previously listed waters as follows:

(A) For phosphorous in the Lake Champlain watershed, not later than November 1, 2021.

(B) For phosphorous in the Lake Memphremagog watershed, not later than November 1, 2022.

(C) For all other waters impaired by phosphorous, nutrients, or sediment, not later than November 1, 2024.

(2) By not later than November 1, 2020, the Secretary shall adopt a schedule for implementing the requirements of this chapter in all other previously listed impaired waters not set forth in subdivision (1) of this subsection.

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(c) When implementing the requirements of this section, the Secretary shall follow the type 3 notice process established in section 7714 of this title.

§ 923. QUANTIFICATION OF POLLUTION REDUCTION; CLEAN WATER PROJECTS

(a) After listing a water as impaired on the list of waters required by 33 U.S.C. § 1313(d), the Secretary shall publish a methodology for calculating pollution reduction values associated with a clean water project in that water. Pollution reduction values established by the Secretary shall be the exclusive method for determining the pollutant reduction value of a clean water project.

(b) After listing a water as impaired on the list of waters required by 33 U.S.C. § 1313(d), the Secretary shall publish a methodology for establishing a design life associated with a clean water project. The design life of a clean water project shall be determined based on a review of values established in other jurisdictions, values recommended by organizations that regularly estimate the design life of clean water projects, actual data documenting the design life of a practice, or a comparison to other similar practices if no other data exists. A design life adopted by the Secretary shall be the exclusive method for determining the design life of a best management practice or other control.

(c)(1) If a person is proposing a clean water project for which no pollution reduction value or design life exists for a listed water, the Secretary shall establish a pollution reduction value or design life for that clean water project within 14 days of a request from the person proposing the clean water project. A pollution reduction value or design life established under this subdivision shall be based on a review of: pollution reduction values established by other jurisdictions; pollution reduction values or design lives recommended by organizations that develop pollutant reduction values or design lives for a clean water project, if available; modeled data, if available; actual data documenting the design life of a clean water project; or a comparison to other similar projects or programs if no other data on a pollution reduction value or design life exists. Any estimate developed under this subsection by the Secretary shall be posted on the Agency of Natural Resources' website.

(2) Upon the request of a clean water service provider, the Secretary shall evaluate a proposed clean water project and issue a determination as to whether the proposed clean water project is eligible to receive funding as a part of a Water Quality Restoration Grant awarded by the State pursuant to subsection 925(a) of this title.

(d)(1) The Secretary shall conduct the analysis required by subsections (a) and (b) of this section as follows:

(A) For clean water projects and design lives related to phosphorous, not later than November 1, 2021.

(B) For clean water projects and design lives related to nutrients or sediment, not later than November 1, 2024.

(2) By not later than November 1, 2020, the Secretary shall adopt a schedule for implementing the requirements of subsections (a) and (b) of this section for clean water projects and design lives related to all other impairments not listed under subdivision (1) of this subsection.

(e)(1) When implementing the requirements of subsections (a) and (b) of this section, the Secretary shall follow the type 3 notice process established in section 7714 of this title.

(2) When implementing the requirements of subsection (c) of this section, the Secretary shall follow the type 4 notice process in section 7715 of this title.

§ 924. CLEAN WATER SERVICE PROVIDER; RESPONSIBILITY FOR CLEAN WATER PROJECTS

(a) Clean water service providers; establishment. On or before March 1, 2020, the Secretary shall adopt rules that assign a clean water service provider to each basin for the purposes of achieving pollutant reduction values established by the Secretary for the basin and for identification, design, construction, operation, and maintenance of clean water projects within a basin. The rulemaking shall be done in consultation with regional planning commissions, natural resource conservation districts, watershed organizations, and municipalities located within each basin. The Secretary shall assign a regional planning commission as the clean water service provider for a basin unless the Secretary, by rule, designates an alternate entity to be accountable for a basin in lieu of a regional planning commission. If the Secretary assigns an alternate entity to serve as the clean water service provider in a basin, the Secretary shall ensure that the entity has the authority and capacity to fulfill the duties set forth under 24 V.S.A. § 4345a(20). An alternate entity assigned as a clean water service provider shall establish a basin water quality advisory council that meets the requirements of 24 V.S.A. § 4353. An alternate entity assigned as a clean water service provider shall receive assistance from the Secretary under section 926 of this title.

(b) Project identification, prioritization, selection. When identifying, prioritizing, and selecting an activity to meet a pollution reduction value, the

clean water service provider may consider, in no particular order of priority, funding clean water projects in the following sectors:

(1) developed lands, including municipal separate storm sewers, operational stormwater discharges, municipal roads, and other developed lands discharges;

(2) natural resource protection and restoration, including river corridor protection, wetland protection and restoration, and riparian corridor protection and restoration;

(3) forestry; and

(4) agriculture.

(c) Maintenance responsibility. A clean water service provider shall be responsible for maintaining a clean water project or ensuring the maintenance for the entirety of the design life of that clean water project.

(d) Water quality improvement work. If a clean water service provider achieves a greater level of pollutant reduction than a pollution reduction goal or five-year target established by the Secretary, the clean water service provider may carry those reductions forward into a future year. If a clean water service provider achieves its pollutant reduction goal or five-year target and has excess grant funding available, a clean water service provider may use those funds towards other eligible projects, operation and maintenance responsibilities for existing constructed projects, projects within the basin that are required by federal or State law, or other work that improves water quality within the geographic area of the basin, including protecting river corridors, aquatic species passage, and other similar projects.

(e) Reporting. A clean water service provider shall report annually to the Secretary. The report shall contain the following:

(1) a summary of all clean water projects completed that year in the basin;

(2) a summary of any inspections of previously implemented clean water projects and whether those clean water projects continue to operate in accordance with their design;

(3) all indirect and administrative costs incurred by the clean water service provider;

(4) a list of all of the subgrants awarded by the clean water service provider in the basin; and

(5) all data necessary for the Secretary to determine the pollutant reduction achieved by the clean water service provider during the prior year.

(f) Accountability for pollution reduction goals. If a clean water service provider fails to meet its allocated pollution reduction goals or its five-year target or fails to maintain previously implemented clean water projects the Secretary shall take appropriate steps to hold the clean water service provider accountable for the failure to meet pollution reduction goals or its five-year target. The Secretary may take the following steps:

(1) Enter a plan to ensure that the clean water service provider meets current and future year pollution reduction goals and five-year targets;

(2) Initiate an enforcement action pursuant to chapter 201 or 211 of this title for the failure of a clean water service provider to meet its obligations; or

(3) Initiate rulemaking to designate an alternate entity as accountable for the basin.

§ 925. WATER QUALITY GRANT PROGRAMS

(a) The Secretary shall administer a Water Quality Restoration Formula Grant Program to award grants to clean water service providers to meet the pollution reduction requirements under this subchapter. The grant amount shall be based on the annual pollutant reduction goal established for the clean water service provider multiplied by the standard cost for pollutant reduction including the costs of administration and reporting. No more than 15 percent of the total grant amount awarded to a clean water service provider shall be used for administrative costs.

(b) The Secretary shall administer a Water Quality Enhancement Grant Program. This program shall be a competitive grant program to fund projects that protect high quality waters, create resilient communities, and promote the public's use and enjoyment of the State's waters. When making awards under this program, the Secretary shall consider the cost-effectiveness of an award and the funding needs of each basin. No more than 15 percent of the total grant amount awarded to a clean water service provider shall be used for administrative costs.

(c) The Secretary shall administer a Stormwater Implementation Grant Program to provide grants to persons who are required to obtain a permit to implement regulatory requirements that are necessary to achieve water quality standards. The grant program shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals. This grant program may fund projects related to the permitting of impervious surface of three acres or more under subdivision 1264(g)(3) of this title. No more than 15 percent of the total grant amount awarded to a clean water service provider shall be used for administrative costs. (d) The Secretary shall administer a Municipal Stormwater Assistance Grant Program to provide grants to any municipality required to obtain a permit pursuant to section 1264 of this title. The grant program shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals. No more than 15 percent of the total grant amount awarded to a clean water service provider shall be used for administrative costs.

§ 926. CLEAN WATER PROJECT TECHNICAL ASSISTANCE

<u>The Secretary shall provide technical assistance upon the request of any</u> person who, under this chapter, receives a grant or is a subgrantee of funds to implement a clean water project.

§ 927. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

Sec. 2. 10 V.S.A. § 1253(d)(2) is amended to read:

(2) In developing a basin plan under this subsection, the Secretary shall:

(A) identify waters that should be reclassified outstanding resource waters or that should have one or more uses reclassified under section 1252 of this title;

(B) identify wetlands that should be reclassified as Class I wetlands;

(C) identify projects or activities within a basin that will result in the protection and enhancement of water quality;

(D) review the evaluations performed by the Secretary under subdivisions 922(a)(1) and (2) of this title and update those findings based on any new data collected as part of a basin plan;

(E) for projects in the basin that will result in enhancement of resources, including those that protect high quality waters of significant natural resources, the Secretary shall identify the funding needs beyond those currently funded by the Clean Water Fund;

(F) ensure that municipal officials, citizens, <u>natural resources</u> <u>conservation districts</u>, watershed groups, and other interested groups and individuals are involved in the basin planning process;

(E)(G) ensure regional and local input in State water quality policy development and planning processes;

(F)(H) provide education to municipal officials and citizens regarding the basin planning process;

(G)(I) develop, in consultation with the regional planning commission, an analysis and formal recommendation on conformance with the goals and objectives of applicable regional plans;

(H)(J) provide for public notice of a draft basin plan; and

(I)(K) provide for the opportunity of public comment on a draft basin plan.

Sec. 3. 10 V.S.A. § 1387 is amended to read:

§ 1387. <u>FINDINGS;</u> PURPOSE; <u>CLEAN WATER INITIATIVE</u>

(a)(1) The State has committed to implementing a long-term Clean Water Initiative to provide mechanisms, staffing, and financing necessary to achieve and maintain compliance with the Vermont Water Quality Standards for all State waters.

(2) Success in implementing the Clean Water Initiative will depend largely on providing sustained and adequate funding to support the implementation of all of the following:

(A) the requirements of 2015 Acts and Resolves No. 64;

(B) federal or State required cleanup plans for individual waters or water segments, such as total maximum daily load plans;

(C) the Agency of Natural Resources' Combined Sewer Overflow Rule; and

(D) the operations of clean water service providers under chapter 37, subchapter 5 of this title.

(3) To ensure success in implementing the Clean Water Initiative, the State should commit to an annual appropriation over the duration of the Initiative of not less than \$57,811,342.00, beginning in fiscal year 2020 and adjusted thereafter to ensure maintenance of effort.

(b) The General Assembly establishes in this subchapter a Vermont Clean Water Fund as a mechanism for financing the improvement of water quality in the State. The Clean Water Fund shall be used to:

(1) assist the State in complying with water quality requirements and construction or implementation of water quality projects or programs the implementation of the Clean Water Initiative;

(2) fund staff positions at the Agency of Natural Resources, Agency of Agriculture, Food and Markets, or Agency of Transportation when the positions are necessary to achieve or maintain compliance with water quality

requirements and existing revenue sources are inadequate to fund the necessary positions; and

(3) provide funding to nonprofit organizations, regional associations, and other entities for implementation and administration of community-based water quality programs or projects clean water service providers to meet the obligations of chapter 37, subchapter 5 of this title.

Sec. 4. 10 V.S.A. § 1389 is amended to read:

§ 1389. CLEAN WATER BOARD

- (a) Creation.
 - (1) There is created the Clean Water Board that shall:

(A) be responsible and accountable for planning, coordinating, and financing of the remediation, improvement, and protection of the quality of State waters;

(B) recommend to the Secretary of Administration expenditures:

- (i) appropriations from the Clean Water Fund; and
- (ii) clean water projects to be funded by capital appropriations.

(2) The Clean Water Board shall be attached to the Agency of Administration for administrative purposes.

(b) Organization of the Board. The Clean Water Board shall be composed of:

(1) the Secretary of Administration or designee;

(2) the Secretary of Natural Resources or designee;

(3) the Secretary of Agriculture, Food and Markets or designee;

(4) the Secretary of Commerce and Community Development or designee;

(5) the Secretary of Transportation or designee; and

(6) four members of the public, who are not legislators, with expertise in one or more of the following subject matters: public management, civil engineering, agriculture, ecology, wetlands, stormwater system management, forestry, transportation, law, banking, finance, and investment, to be appointed by the Governor.

* * *

(d) Powers and duties of the Clean Water Board. The Clean Water Board shall have the following powers and authority:

* * *

(3) The Clean Water Board shall:

(A) establish a process by which watershed organizations, State agencies, and other interested parties may propose water quality projects or programs for financing from the Clean Water Fund;

(B) develop an annual revenue estimate and proposed budget for the Clean Water Fund;

(C)(B) establish measures for determining progress and effectiveness of expenditures for clean water restoration efforts;

(C) if the Board determines that there are insufficient funds in the Clean Water Fund to issue all grants required by section 925(a) of this title, conduct all of the following:

(i) Direct the Secretary of Natural Resources to prioritize the work needed in every basin, adjust pollution allocations assigned to clean water service providers, and issue grants based on available funding.

(ii) Make recommendations to the Governor and General Assembly on additional revenue to address unmet needs.

(iii) Notify the Secretary of Natural Resources that there are insufficient funds in the Fund. The Secretary of Natural Resources shall consider additional regulatory controls to address water quality improvements that could not be funded.

(D) issue the annual Clean Water Investment Report required under section 1389a of this title; and

(E) solicit, consult with, and accept public comment from organizations interested in improving water quality in Vermont regarding recommendations under this subsection (d) for the allocation of funds from the Clean Water Fund; and

(F) establish a process under which a watershed organization, State agency, or other interested party may propose that a water quality project or program identified in a watershed basin plan receive funding from the Clean Water Fund.

(e) Priorities.

(1) In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize recommend:

(A) funding to programs and projects that address sources of water pollution in waters listed as impaired on the list of waters established by 33 U.S.C. § 1313(d);

(B) funding to projects that address sources of water pollution identified as a significant contributor of water quality pollution, including financial assistance to grant recipients at the initiation of a funded project;

(1) funding for the following grants and programs:

(A) grants to clean water service providers to fund the reasonable costs associated with the monitoring, operation, and maintenance of clean water projects in a basin;

(B) the Water Quality Enhancement Grant Program as provided under subsection 925(b) of this title;

(C) the Agency of Agriculture, Food, and Markets' Conservation Reserve Enhancement Program, Farm Agronomic Practice Program, and Clean Water Initiative Partner Grant Program; and

(D) the Water Quality Restoration Grants as provided in subsection 925(b) of this title, provided funding shall be at least \$1,500,000.00;

(2) to the extent that funding is available after funding grants and programs identified under subdivision (1) of this subsection:

(A) investment in watershed planning;

(C)(B) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;

(D) assistance required for State and municipal compliance with stormwater requirements for highways and roads;

(E)(C) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;

(F)(D) funding for education, outreach, demonstration, and implementation for required agricultural practices and any required best management practices on agricultural land;

(E) funding for the Municipal Stormwater Assistance Grant as provided in subsection 925(d) of this title;

(F) funding for education and outreach regarding implementation of water quality requirements;

(G) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy; and

(H) funding for the Stormwater Implementation Grant Program as provided in subsection 925(c) of this title

(G) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices;

(H) funding to municipalities for the establishment and operation of stormwater utilities; and

(I) investment in watershed basin planning, water quality project identification screening, water quality project evaluation, and conceptual plan development of water quality projects.

(2) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Clean Water Board shall, during the first three years of its existence and within the priorities established under subdivision (1) of this subsection (e), prioritize awards or assistance to municipalities for municipal compliance with water quality requirements and to municipalities for the establishment and operation of stormwater utilities.

(3) In developing its recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall, after satisfaction of the priorities established under subdivision (1) of this subsection (e), attempt to provide investment in all watersheds of the State based on the needs identified in watershed basin plans.

(f) Assistance. The Clean Water Board shall have the administrative, technical, and legal assistance of the Agency of Administration, the Agency of Natural Resources, the Agency of Agriculture, Food and Markets, the Agency of Transportation, and the Agency of Commerce and Community Development for those issues or services within the jurisdiction of the respective agency. The cost of the services provided by agency staff shall be paid from the budget of the agency providing the staff services.

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Sec. 5. 10 V.S.A. § 8003(a) is amended to read

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

* * *

(5) 10 V.S.A. chapter 37, relating to wetlands protection, water restoration goals and targets, and water resources management;

* * *

Sec. 6. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(20)(A) If designated as a clean water service provider under 10 V.S.A. § 924, provide for the identification, prioritization, development, construction, monitoring, operation, and maintenance of clean water projects in the basin assigned to the regional planning commission in accordance with the requirements of 10 V.S.A. chapter 37, subchapter 5 and in consultation with the basin water quality advisory council established under section 4353 of this title. In carrying out these duties, the regional planning commission shall adopt guidance for subgrants that establishes a policy for how the commission will issue subgrants to other organizations in the basin giving due consideration to the expertise of those organizations and other requirements for the administration of the grant program. The subgrant guidance shall be subject to the approval of the basin water quality advisory council.

(B) When selecting projects, a regional planning commission shall prioritize projects identified in the basin plan for the area where the project is located and consider the pollutant targets provided by the Secretary and the recommendations of the basin water quality advisory council.

(21) As used in this section, "clean water project" means a best management practice or other program designed to improve water quality to achieve a target established under 10 V.S.A. § 922 that:

(A) is not subject to a permit under 10 V.S.A. chapter 47, is not subject to the requirements of 6 V.S.A. chapter 215, exceeds the requirements of a permit issued under 10 V.S.A. chapter 47, or exceeds the requirements of 6 V.S.A chapter 215; and

(B) is within the activities identified 10 V.S.A. § 924(c).

Sec. 7. 24 V.S.A. § 4353 is added to read:

§ 4353. BASIN WATER QUALITY ADVISORY COUNCIL

(a) A regional planning commission designated as a clean water service provider under 10 V.S.A. § 924 shall establish a basin water quality advisory council for each basin assigned to it pursuant to 10 V.S.A. § 924(a). The purpose of basin water quality advisory council is to make recommendations to the regional planning commission on identifying the most significant water quality impairments that exist in the basin and prioritizing the projects that will address those impairments.

(b) A basin water quality advisory council shall include, at a minimum, the following:

(1) representatives from each natural resource conservation district in that basin, selected by the applicable natural resource conservation district;

(2) representatives from each local watershed protection organization operating in that basin, selected by the applicable watershed protection organization;

(3) representatives from applicable local or statewide land conservation organizations selected by the conservation organization in consultation with the regional planning commission; and

(4) representatives from each municipality within the basin, selected by the municipality.

(c) The regional planning commission and the basin planner from the Agency of Natural Resources shall provide staff support to the council. The regional planning commission may invite support from persons with specialized expertise to address matters before a basin water quality advisory council, including support from the University of Vermont Extension, staff of the Agency of Natural Resources, and staff of the Agency of Agriculture, Food, and Markets.

Sec. 8. RECOMMENDATIONS ON NUTRIENT CREDIT TRADING

On or before July 1, 2022, the Secretary of Natural Resources, after consultation with the Clean Water Board, shall submit to the Senate Committees on Appropriations, on Natural Resources and Energy, and on Finance and the House Committees on Appropriations, on Natural Resources, Fish, and Wildlife, and on Ways and Means recommendations regarding implementation of a market-based mechanism that allows the purchase of water quality credits by permittees under 10 V.S.A. Chapter 47, and other entities.

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

And that after passage the bill be amended to read:

An act relating to the provision of water quality services.

And that when so amended the bill ought to pass.

Senator Campion, for the Committee on Finance, to which the bill was referred, reported the same without recommendation.

Senator Nitka, for the Committee on Appropriations, to which the bill was referred, reported that the bill be amended as recommended by the Committee on Natural Resources and Energy with the following amendments thereto:

<u>First</u>: In Sec. 3, 10 V.S.A. § 1387, by striking out subdivision (a)(3) in its entirety and inserting in lieu thereof a new subdivision (a)(3) to read as follows:

(3) To ensure success in implementing the Clean Water Initiative, the State should commit to funding the Clean Water Initiative in a manner that ensures the maintenance of effort and that provides an annual appropriation for clean water programs in a range of \$50 million to \$60 million as adjusted for inflation over the duration of the Initiative.

<u>Second</u>: In Sec. 4, 10 V.S.A. § 1389, in subdivision (e)(1)(B), by striking out the word "<u>Enhancement</u>" where it appears and inserting in lieu thereof the word <u>Restoration</u> and by striking out the following: "<u>925(b)</u>" where it appears and inserting in lieu thereof the following: <u>925(a)</u>

<u>Third</u>: In Sec. 4, 10 V.S.A. § 1389, in subdivision (e)(1)(D), by striking out the word "<u>Restoration</u>" where it appears and inserting in lieu thereof the word Enhancement

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended? consideration was interrupted by adjournment.

Adjournment

On motion of Senator Mazza, the Senate adjourned until one o'clock in the afternoon on Thursday, March 28, 2019.

THURSDAY, MARCH 28, 2019

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

Devotional Exercises

Devotional exercises were conducted by the Reverend Diane Nancekivell of Middlebury.

Message from the House No. 34

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 82. An act relating to the taxation of timber harvesting equipment.

H. 249. An act related to the Reach Up and Reach Ahead pilot program.

H. 529. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

H. 530. An act relating to the qualifications and election of the Adjutant and Inspector General.

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

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

S. 109. An act relating to captive insurance companies and risk retention groups.

And has passed the same in concurrence.

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

J.R.S. 20. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

Bills Introduced

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

S. 172.

By Senators Bray, Balint, Campion, Clarkson and Pollina,

An act relating to establishing a community energy program.

To the Committee on Natural Resources and Energy.

S. 173.

By Senators Clarkson, Balint, Baruth, Campion, Cummings, Hardy, Hooker, Ingram, Lyons, McCormack, Pearson, Perchlik and Pollina,

An act relating to the mitigation of climate change.

To the Committee on Natural Resources and Energy.

Bills Referred

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

H. 82.

An act relating to the taxation of timber harvesting equipment.

To the Committee on Agriculture.

H. 249.

An act related to the Reach Up and Reach Ahead pilot program.

To the Committee on Health and Welfare.

Н. 529.

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

To the Committee on Transportation.

H. 530.

An act relating to the qualifications and election of the Adjutant and Inspector General.

To the Committee on Government Operations.

Consideration Resumed; Consideration Postponed

S. 96.

Consideration was resumed on Senate bill entitled:

An act relating to establishing a Clean Water Assessment to fund State water quality programs.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended? Senator Bray, moved that action on the bill be postponed until tomorrow.

Which was agreed to.

Senator Balint Assumes the Chair

Third Reading Ordered

S. 149.

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

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

Reported recommending that the bill ought to pass.

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

President pro Tempore Resumes the Chair

Bill Amended; Consideration Postponed

S. 163.

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

An act relating to housing safety and rehabilitation.

Reported recommending that the bill ought to pass

Senator McCormack, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as follows:

<u>First</u>: By striking out Sec. 7, appropriations; positions, in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. DUTIES CONTINGENT UPON FUNDING

(a) The following duties imposed on the Department of Housing and Community Development are contingent upon the appropriation of funds in fiscal year 2020 for the purposes specified:

(1) to implement a rental housing data management system pursuant to Sec. 4 of this act;

(2) to update and maintain the RentalCodes.org website, or a similar resource, that provides easy access to information for consumers, landlords, municipal officials, and the public concerning rental housing health and safety laws; and

(3) to design and implement a Vermont Rental Housing Incentive Program pursuant to Sec. 12 of this act.

(b) The following duties imposed on the Department of Health are contingent upon the appropriation of funds in fiscal year 2020 for one additional full-time equivalent position:

(1) to provide additional training to town health officers concerning best practices, the health officer role and responsibilities, and rental housing health and safety issues; and

(2) to provide additional guidance and support to municipalities concerning difficult rental housing enforcement issues.

Second: By striking out Sec. 13, Rental Housing Incentive Program; appropriation, in its entirety and renumbering Sec. 14, effective date, to be Sec. 13.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be read a third time?, Senator Sirotkin moved that action on the bill be postponed until next Tuesday, April 2, 2019.

Which was agreed to.

Bill Amended; Third Reading Ordered

S. 106.

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

An act relating to establishing the Municipal Self-Governance Program.

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

Sec. 1. 24 V.S.A. chapter 140 is added to read:

<u>CHAPTER 140. MUNICIPAL SELF-GOVERNANCE PROGRAM</u> <u>§ 5801. FINDINGS AND INTENT</u>

The General Assembly finds that:

(1) State law, policies, and procedures at times inhibit or delay the ability of Vermont's cities and towns to adopt and implement innovative solutions to local problems.

(2) Often, State law, policies, and procedures limit the ability of cities and towns to creatively work with the State in a timely and efficient manner to address the many issues facing Vermont, including economic health, housing needs, and environmental conservation.

(3) Vermont's cities and towns lack the ability to make the best decisions to meet their unique, truly local needs.

(4) Establishing a pilot program that authorizes a limited number of cities and towns to engage in self-governance within defined parameters will:

(A) allow the State to determine the current gaps in municipal power and agency;

(B) provide a laboratory for cities and towns to develop local solutions to particularized issues; and

(C) allow cities and towns within the program to more efficiently respond to the needs of their residents.

§ 5802. DEFINITIONS; ELIGIBILITY

As used in this chapter:

(1) "Commission" means the Municipal Self-Governance Commission.

(2) "Municipality" means an incorporated city or town.

(3) "Program" means the Municipal Self-Governance Program.

(4) "Proposal" means a plan that describes the following:

(A) the enumerated powers that the municipality requires for the adoption of proposed ordinances that are not in conflict with the U.S. Constitution, the Vermont Constitution, federal laws, and the State laws listed in subsection (c) of section 5805 of this chapter and that provide for the health,

safety, and welfare of the population within the territorial limits of the municipality; and

(B) the measures a municipality expects to pursue, including the adoption of any ordinances, acts, resolutions, rules, and regulations.

§ 5803. PROPOSAL ADOPTION PROCEDURE; SUBMISSION

(a) A municipality that seeks to participate in the Program shall submit a proposal to the legal voters of the municipality present and voting at an annual or special meeting warned for that purpose in accordance with the following procedure:

(1) An official copy of the proposal shall be filed with the clerk of the municipality at least 10 days before the first public hearing. The clerk shall certify the date that he or she received the official copy, and the dated copies shall be open to public inspection and copying.

(2)(A) The legislative body of the municipality shall hold at least two public hearings on the proposal before the vote at the annual or special meeting.

(B) The first public hearing shall be held at least 20 days before the vote at the annual or special meeting.

(3)(A) The legislative body may revise the proposal in light of recommendations made at a public hearing, but in no event shall the revisions be made fewer than 10 days before the date of the meeting to vote on the proposal.

(B) If revisions are made, the legislative body shall post a notice of these revisions in the same places as the warning for the meeting not less than 10 days before the date of the meeting and shall file an official copy of the revisions with the clerk of the municipality who shall certify the copy.

(4) The second public hearing shall be held not later than 10 days after the first public hearing.

(5) After the warning and hearing requirements of this section are satisfied, the proposal shall be submitted to the voters at an annual or special meeting in its certified form, except that the legislative body may make technical corrections.

(b) A municipality may seek to amend an approved proposal by submitting the amendment to the voters according to the procedure contained in subsection (a) of this section.

(c) Upon approval of a proposal or amendment by the voters, the local legislative body shall submit the proposal or amendment to the Commission.

§ 5804. MUNICIPAL SELF-GOVERNANCE COMMISSION

(a) There is created the Municipal Self-Governance Commission to review proposals for expanded municipal self-governance.

(b) The Commission shall consist of 12 members, appointed as follows:

(1) Four members shall be appointed by the Governor, not more than two of whom shall be from the same political party.

(2)(A) Eight members shall be appointed by the General Assembly, four by the Senate Committee on Committees, and four by the Speaker of the House.

(B) Not more than two appointees shall be members of the General Assembly, and each appointing authority shall appoint not more than two members from the same political party.

(c) The terms of members shall be two years. Appointments of members to fill vacancies or expired terms shall be made by the authority that made the initial appointment to the vacated or expired term.

(d) The Commission shall have the following powers:

(1) to review, evaluate, and make recommendations concerning a proposal submitted by a municipality;

(2) to establish criteria for the evaluation of proposals that includes consideration of each municipality's population, geographic location, and governance structure;

(3) to consult with State agencies affected by the proposal; and

(4) to recommend to the General Assembly the municipalities that should be approved to participate in the Program.

(e) The Office of Legislative Council shall provide administrative and legal assistance to the Commission, including the scheduling of meetings and the preparation of recommended legislation.

(f)(1) The Speaker of the House shall call the first meeting to occur on or before November 1, 2019. The Commission shall select a chair from among its members at the first meeting.

(2) Eight members shall constitute a quorum.

(g)(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. Payments shall be made from monies appropriated to the Commission.

(h)(1) On or before January 15, 2020, the Commission shall submit to the General Assembly a report recommending at least one but not more than 10 municipalities to participate in the Program. The Commission shall recommend municipalities that represent the range of populations, geographic locations, and governance structures in the State.

(2) At any time after January 15, 2020, the Commission may submit a report recommending additional municipalities be admitted to the Program, but at no time shall more than 10 municipalities be admitted.

(i) On or before January 15, 2024, the Commission shall conduct a performance review of the Program and submit to the House and Senate Committees on Government Operations a report containing:

(1) an evaluation of the effectiveness of expanded self-governance on the participating municipalities;

(2) a recommendation as to whether the Program should be continued, reduced, expanded, or terminated;

(3) a recommendation as to whether additional legislation is necessary, including any recommended additions to subsection (c) of section 5805 of this chapter; and

(4) any other relevant matters.

(j) Commencing on January 15, 2021 and each year thereafter, the Commission shall submit to the House and Senate Committees on Government Operations a summary report containing all municipal progress reports submitted to the Commission pursuant to subsection (e) of section 5805 of this chapter.

(k)(1) The Commission shall hold Program meetings and may require the attendance of representatives from each participating municipality. Program meetings shall be held at the call of the Chair. Notice shall be given to each municipal representative at least 10 days before the meeting date.

(2) The legislative body of a participating municipality shall appoint a representative to attend Program meetings.

§ 5805. PROGRAM MUNICIPALITIES; POWERS AND DUTIES

(a) The General Assembly shall approve proposals and any proposal amendments and admit municipalities for participation in the Program.

(b) A municipality that is approved by the General Assembly for participation in the Program shall have the authority to adopt or amend any ordinance pursuant to the powers granted in the municipality's approved proposal.

(c) A municipality's proposal shall not include the authority to adopt or amend an ordinance that is inconsistent or in conflict with:

(1) the U.S. Constitution, the Vermont Constitution, or federal law;

(2) the Vermont Public Records Act or the Open Meeting Law;

(3) 10 V.S.A. § 5227, 24 V.S.A. § 2291(8), or 24 V.S.A. § 2295;

(4) State law governing:

(A) firearms;

(B) the environment, conservation and development, or fish and wildlife;

(C) crimes and criminal procedure;

(D) cannabis;

(E) the State Lottery and games of chance;

(F) alcoholic beverages, except that a municipality may propose to increase local license fees subject to the requirements of 7 V.S.A. § 204(b);

(G) health insurance;

(H) banking, securities, and insurance;

(I) electric utilities;

(J) workers' compensation, minimum wage, benefits, and employment protections; or

(K) elections, except that a municipality may propose to regulate local elections.

(d) A municipality shall only have the power to adopt an ordinance or bylaw that applies within the territorial limits of the municipality. A municipality shall not have the power to adopt an ordinance requiring or prohibiting action by any other municipal corporation.

(e) Commencing October 1, 2020 and each year thereafter, each participating municipality shall submit a progress report to the Commission. The municipal progress report shall contain the following information:

(1) a narrative description of how the authority granted under this chapter has been exercised in the municipality and any resulting positive or negative impacts;

(2) a list of the ordinances adopted pursuant to an approved proposal during the preceding year, including a description of each;

(3) the estimated fiscal impact of the ordinances;

(4) a summary of any pending or active suits, proceedings, or petitions challenging the ordinances; and

(5) any information that the Commission may require for the purposes of this chapter.

§ 5806. EXPIRATION

(a) The Program shall terminate on July 1, 2024 unless extended by the General Assembly. An ordinance adopted pursuant to this chapter shall continue in full force and effect until repealed by the municipality or preempted, superseded, or repealed by an act of the General Assembly.

(b) No ordinances may be enacted by a municipality after July 1, 2024 unless otherwise authorized by the General Assembly.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

And that when so amended the bill ought to pass.

Senator McCormack, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill be amended as recommended by the Committee on Government Operations with the following amendments thereto:

<u>First</u>: In Sec. 1, 24 V.S.A. § 5804, in subdivision (b)(2), by striking out subparagraph (B) in its entirety and inserting in lieu thereof subparagraphs (B) and (C) to read as follows:

(B) Of the members appointed by the Senate Committee on Committees, not more than one may be a legislator and not more than two may be from the same political party.

(C) Of the members appointed by the Speaker of the House, not more than one may be a legislator and not more than two may be from the same political party.

Second: In Sec. 1, 24 V.S.A. § 5804, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g)(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Commission serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than five meetings.

(2) Other members of the Commission shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings.

(3) Payments to members of the Commission authorized under this subsection shall be made from monies appropriated to the General Assembly.

And that when so amended the bill ought to pass.

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

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Government Operations, as amended?, Senators White, Bray, Clarkson, Collamore and Pollina moved to amend the recommendation of the Committee on Government Operations, as amended as follows:

<u>First</u>: In Sec. 1, 24 V.S.A. chapter 140, in § 5805, in subsection (a), prior to the words "<u>General Assembly</u>", by striking out the word "<u>The</u>" and inserting in lieu thereof the following: <u>Consistent with Chapter II, §§ 6 and 69 of the Vermont Constitution, the</u>

<u>Second</u>: In Sec. 1, 24 V.S.A. chapter 140, in § 5805, in subdivision (c)(4)(J), by striking out the word "<u>or</u>" immediately after the semicolon.

<u>Third</u>: In Sec. 1, 24 V.S.A. chapter 140, in § 5805, in subdivision (c)(4)(K), immediately following the words "to regulate local elections" by inserting the following before the period

2

(L) State highways;

(M) State sign law requirements of 10 V.S.A. chapter 21;

(N) standards for classifying town highways under 19 V.S.A. § 302;

(O) procedures for laying out, discontinuing, and reclassifying town highways under 19 V.S.A. chapter 27;

(P) motor vehicle requirements of Title 23, except for provisions of 23 V.S.A. chapter 19;

(Q) aviation; or

(R) railroads

Which was agreed to.

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

Thereupon, third reading of the bill was ordered.

Adjournment

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

FRIDAY, MARCH 29, 2019

The Senate was called to order by the President.

Devotional Exercises

Devotional exercises were conducted by the Reverend Rick Swanson of Stowe.

Message from the House No. 35

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. 205. An act relating to the regulation of neonicotinoid pesticides.

H. 342. An act relating to qualification for a public defender.

H. 439. An act relating to the Home Weatherization Assistance Program.

H. 513. An act relating to broadband deployment throughout Vermont.

H. 526. An act relating to town clerk recording fees and town restoration and preservation reserve funds.

H. 531. An act relating to Vermont's child care and early learning system.

H. 533. An act relating to workforce development.

H. 536. An act relating to education finance.

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

Message from the House No. 36

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

Mr. President:

I am directed to inform the Senate that:

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

H.C.R. 99. House concurrent resolution recognizing March as Bleeding Disorders Awareness Month in Vermont.

H.C.R. 100. House concurrent resolution recognizing May 19–25, 2019 as National Public Works Week in Vermont.

H.C.R. 101. House concurrent resolution recognizing former Representative Ann Seibert of Norwich for her leadership in the enactment of anti-smoking legislation in Vermont.

H.C.R. 102. House concurrent resolution congratulating Ted's Pizza Shop in Rutland on its 60th anniversary.

H.C.R. 103. House concurrent resolution congratulating the American Legion on its centennial.

H.C.R. 104. House concurrent resolution congratulating the 2019 Fair Haven Union High School Slaters Division II girls' basketball championship team.

H.C.R. 105. House concurrent resolution congratulating Bellows Falls Union High School Head Field Hockey Coach Bethany Coursen on being named the MAX Field Hockey 2018 Vermont State Coach of the Year and the New England Region Coach of the Year.

H.C.R. 106. House concurrent resolution honoring Robert S. Thorn Jr. for his innovative leadership as a mental health administrator, counselor, and educator.

H.C.R. 107. House concurrent resolution congratulating the 2019 West Rutland High School Golden Horde Division IV girls' basketball championship team.

H.C.R. 108. House concurrent resolution congratulating the 2019 Thetford Academy Panthers Division III girls' basketball championship team.

H.C.R. 109. House concurrent resolution congratulating the Thetford Academy Panthers Division III boys' basketball championship team.

H.C.R. 110. House concurrent resolution congratulating the 2018 Thetford Academy Panthers Division III boys' cross-country championship team.

H.C.R. 111. House concurrent resolution designating April 2019 as Fair Housing Month in Vermont.

H.C.R. 112. House concurrent resolution congratulating the Mt. St. Joseph Academy Mounties Division II boys' basketball championship team.

H.C.R. 113. House concurrent resolution in memory of former Sergeant at Arms Teresa M. Randall.

H.C.R. 114. House concurrent resolution congratulating the 2019 Danville School Indians Division IV boys' basketball championship team.

H.C.R. 115. House concurrent resolution designating April 2019 as Veterans Suicide Awareness Month in Vermont.

H.C.R. 116. House concurrent resolution recognizing April 2, 2019 as Equal Pay Day in Vermont.

H.C.R. 117. House concurrent resolution celebrating the unique attributes of Green River Reservoir State Park.

H.C.R. 118. House concurrent resolution congratulating the 2019 Boys & Girls Clubs of Vermont Youth of the Year Award honorees.

H.C.R. 119. House concurrent resolution observing April 2, 2019 as National Service Recognition Day in Vermont.

H.C.R. 120. House concurrent resolution honoring U.S. Navy Chief Petty Officers' century and a quarter of outstanding service to our nation.

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

Bill Referred

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

H. 205.

An act relating to the regulation of neonicotinoid pesticides.

To the Committee on Agriculture.

Bill Referred

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

H. 342. An act relating to qualification for a public defender.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

Bills Referred

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

H. 439.

An act relating to the Home Weatherization Assistance Program.

To the Committee on Finance.

H. 513.

An act relating to broadband deployment throughout Vermont.

To the Committee on Finance.

H. 526.

An act relating to town clerk recording fees and town restoration and preservation reserve funds.

To the Committee on Government Operations.

H. 531.

An act relating to Vermont's child care and early learning system.

To the Committee on Health and Welfare.

Н. 533.

An act relating to workforce development.

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

Bill Referred

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

H. 536. An act relating to education finance.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

Consideration Resumed; Bill Amended; Third Reading Ordered

S. 96.

Consideration was resumed on Senate bill entitled:

An act relating to establishing a Clean Water Assessment to fund State water quality programs.

Thereupon, pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, Senators Bray and Starr moved to amend the recommendation of amendment of the Committee on Natural Resources and Energy, as amended as follows:

<u>First</u>: In Sec. 1, 10 V.S.A. chapter 37, subchapter 5, section 924, in subdivision (f)(3), by striking out the word "<u>entity</u>" where it appears and inserting in lieu thereof the words <u>clean water service provider</u>

<u>Second</u>: In Sec. 1, 10 V.S.A. chapter 37, subchapter 5, section 924, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) Clean water service providers; establishment.

(1) On or before March 1, 2020, the Secretary shall adopt rules that assign a clean water service provider to each basin for the purposes of achieving pollutant reduction values established by the Secretary for the basin and for identification, design, construction, operation, and maintenance of clean water projects within the basin. The rulemaking shall be done in consultation with regional planning commissions, natural resource conservation districts, watershed organizations, and municipalities located within each basin.

(2) An entity designated as a clean water service provider shall, in consultation with the basin water quality advisory council established under subsection (f) of this section, be required to identify, prioritize, develop, construct, monitor, operate, and maintain clean water projects in accordance with the requirements of this subchapter 5.

(3) In carrying out its duties, a clean water service provider shall adopt guidance for subgrants that establishes a policy for how the clean water service provider will issue subgrants to other organizations in the basin, giving due consideration to the expertise of those organizations and other requirements for the administration of the grant program. The subgrant guidance shall be subject to the approval of the basin water quality advisory council.

(4) When selecting clean water projects for implementation or funding, a clean water service provider shall prioritize projects identified in the basin plan for the area where the project is located and shall consider the pollutant targets provided by the Secretary and the recommendations of the basin water quality advisory council.

<u>Third</u>: In Sec. 1, 10 V.S.A. chapter 37, subchapter 5, section 924, by adding subsection (g) to read as follows:

(g) Basin water quality advisory council.

(1) A clean water service provider designated under this section shall establish a basin water quality advisory council for each assigned basin. The purpose of a basin water quality advisory council is to make recommendations to the clean water service provider regarding the most significant water quality impairments that exist in the basin and prioritizing the projects that will address those impairments.

(2) A basin water quality advisory council shall include, at a minimum, the following:

(A) representatives from each natural resource conservation district in that basin, selected by the applicable natural resource conservation district;

(B) representatives from each local watershed protection organization operating in that basin, selected by the applicable watershed protection organization;

(C) representatives from applicable local or statewide land conservation organizations selected by the conservation organization in consultation with the clean water service provider; and

(D) representatives from each municipality within the basin, selected by the municipality.

(3) The designated clean water service provider and the Agency of Natural Resources shall provide staff support to the basin water quality advisory council. The clean water service provider may invite support from persons with specialized expertise to address matters before a basin water quality advisory council, including support from the University of Vermont Extension, staff of the Agency of Natural Resources, and staff of the Agency of Agriculture.

<u>Fourth</u>: By striking out Secs. 6 and 7 in their entirety (regional planning commission authority; duties) and inserting in lieu thereof new Secs. 6 and 7 to read as follows:

Sec. 6. 24 V.S.A. § 4345a is amended to read:

§ 4345a. DUTIES OF REGIONAL PLANNING COMMISSIONS

A regional planning commission created under this chapter shall:

* * *

(20) If designated as a clean water service provider under 10 V.S.A. § 924, provide for the identification, prioritization, development, construction, monitoring, operation, and maintenance of clean water projects in the basin assigned to the regional planning commission in accordance with the requirements of 10 V.S.A. chapter 37, subchapter 5.

Sec. 7. [Deleted.]

Which was agreed to.

Thereupon, the recurring question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy, as amended?, was decided in the affirmative.

Thereupon, the question, Shall the bill be read the third time?, was decided in the affirmative.

Bill Amended; Third Reading Ordered

S. 113.

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

An act relating to the prohibition of plastic carryout bags, expanded polystyrene, and single-use plastic straws.

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

Sec. 1. 10 V.S.A. chapter 159, subchapter 5 is added to read:

Subchapter 5. Single-Use Carryout Bags; Expanded Polystyrene Food Service Products; Single-use Plastic Straws

§ 6691. DEFINITIONS

As used in this subchapter:

(1) "Agency" means the Agency of Natural Resources.

(2) "Carryout bag" means a bag provided by a store or food service establishment to a customer at the point of sale for the purpose of carrying groceries or retail goods, except that a "carryout bag" shall not mean a bag provided by a pharmacy to a customer purchasing a prescription medication.

(3) "Expanded polystyrene" means blown polystyrene and expanded and extruded foams that are thermoplastic petrochemical materials utilizing a styrene monomer and processed by a number of techniques, including: fusion of polymer spheres, known as expandable bead 20 polystyrene; injection molding; foam molding; and extrusion-blow molding, also known as extruded foam polystyrene.

(4)(A) "Expanded polystyrene food service product" means a product made of expanded polystyrene that is: (i) used for selling or providing food or beverages and intended by the manufacturer to be used once for eating or drinking; or

(ii) generally recognized by the public as an item to be discarded after one use.

(B) "Expanded polystyrene food service product" shall include:

(i) food containers;

(ii) plates;

(iii) hot and cold beverage cups;

(iv) trays; and

(v) cartons for eggs or other food.

(C) "Expanded polystyrene food service product" shall not include:

(i) food or beverages that have been packaged in expanded polystyrene outside the State before receipt by a food service establishment or store;

(ii) a product made of expanded polystyrene that is used to package raw, uncooked, or butchered meat, fish, poultry, or seafood; or

(iii) nonfoam polystyrene food service products.

(5) "Food service establishment" has the same meaning as in 18 V.S.A. § 4301.

(6) "Plastic" means a synthetic material made from linking monomers through a chemical reaction to create a polymer chain that can be molded or extruded at high heat into various solid forms that retain their defined shapes during their life cycle and after disposal.

(7) "Reusable carryout bag" means a carryout bag that is specifically designed and manufactured for multiple reuse and that is:

(A) made of cloth or other machine-washable fabric that has handles;

(B) a nonwoven polypropylene bag that has handles; or

(C) a durable plastic bag that has handles and is at least 2.25 mils thick.

(8) "Secretary" means the Secretary of Natural Resources.

(9) "Single-use paper carryout bag" means a carryout bag made of paper or other material that is not plastic that has a thickness of less than 2.25 mils and that is not a reusable grocery bag. (10) "Single-use plastic carryout bag" means a carryout bag made of plastic, that has a thickness of less than 2.25 mils and that is not a reusable grocery bag.

(11) "Single-use plastic straw" means a tube made of plastic that is:

(A) used to transfer liquid from a container to the mouth of a person drinking the liquid;

(B) designed and intended to be used only once; and

(C) generally recognized by the public as an item that is to be discarded after one use.

(12) "Store" means a grocery store, supermarket, convenience store, liquor store, drycleaner, pharmacy, drug store, or other retail establishment that has over 1,000 square feet of retail space and that provides carryout bags to its customers.

§ 6692. SINGLE-USE PLASTIC CARRYOUT BAGS; PROHIBITION

A store or food service establishment shall not provide a single-use plastic carryout bag to a customer.

§ 6693. SINGLE-USE PAPER CARRYOUT BAG

(a) A store or food service establishment retail may provide a single-use paper carryout bag at the point of sale, if the single-use paper carryout bag is provided to the consumer at a cost of not less than \$0.10 per bag.

(b) All monies collected by a store or food service establishment under this section for provision of a single-use paper carryout bag shall be retained by the store or food service establishment.

§ 6694. SINGLE-USE PLASTIC STRAWS

A food service establishment shall not sell or provide a single-use plastic straw to a customer, except that a food service establishment shall provide a single-use plastic straw to a person upon request.

§ 6695. EXPANDED POLYSTYRENE FOOD SERVICE PRODUCTS

(a) A person shall not sell or offer for sale in the State an expanded polystyrene food service product.

(b) A store or food service establishment shall not sell or provide food or beverages in an expanded polystyrene food service product.

(c) This section shall not prohibit a person from storing or packaging a food or beverage in an expanded polystyrene food service product for distribution out of State.

§ 6696. CIVIL PENALTIES; WARNING

(a) A person who violates the requirements of this subchapter shall:

(1) receive a written warning for a first offense

(2) be subject to a civil penalty of \$25.00 for a second offense; and

(3) be subject to a civil penalty of \$100.00 for a third or subsequent offense.

(b) For the purposes of enforcement under this subchapter, an offense shall be each day a person is violating the requirement of this subchapter.

§ 6697. RULEMAKING

The Secretary may adopt rules to implement the requirements of this subchapter.

Sec. 2. SINGLE-USE PRODUCTS WORKING GROUP; REPORT

(a) Definitions. As used in this section:

(1) "Carryout bag" means a bag provided by a store or food service establishment to a customer at the point of sale for the purpose of carrying groceries or retail goods.

(2) "Disposable plastic food service ware" means nonrecyclable containers, plates, clamshells, serving trays, meat and vegetable trays, hot and cold beverage cups, and utensils that are made of plastic or plastic-coated paper, including products marketed as biodegradable products but a portion of the product is not compostable.

(3) "Expanded polystyrene food service product" means a product made of expanded polystyrene that is:

(A) used for selling or providing food or beverages and intended by the manufacturer to be used once for eating or drinking; or

(B) generally recognized by the public as an item to be discarded after one use.

(4) "Extended producer responsibility" means a requirement for a producer of a product to provide for and finance the collection, transportation, reuse, recycling, processing, and final management of the product.

(5) "Food service establishment" has the same meaning as in 18 V.S.A. § 4301.

(6) "Packaging" means materials that are used for the containment, protection, handling, delivery, and presentation of goods sold or delivered in Vermont.

(7) "Plastic" means a synthetic material made from linking monomers through a chemical reaction to create a polymer chain that can be molded or extruded at high heat into various solid forms that retain their defined shapes during their life cycle and after disposal.

(8) "Printed materials" means material that is not packaging, but is printed with text or graphics as a medium for communicating information, including telephone books but not including other bound reference books, bound literary books, or bound textbooks.

(9) "Single-use" means a product that is designed and intended to be used only once and is generally recognized by the public as an item that is to be discarded after one use.

(10) "Single-use products" means single-use carryout bags, single-use packaging, single-use disposable plastic food service ware, expanded polystyrene food service products, printed materials, and other single-use plastics or single-use products that are provided to consumers by stores, food service establishments, or other retailers.

(11) "Store" means grocery store, supermarket, convenience store, liquor store, pharmacy, drycleaner, drug store, or other retail establishment.

(12) "Unwanted" means when a person in possession of a product intends to abandon or discard the product.

(b) Creation. There is created the Single-Use Products Working Group to:

(1) evaluate current State and municipal policy and requirements for the management of unwanted single-use products; and

(2) recommend to the Vermont General Assembly policy or requirements that the State should enact to improve statewide management of single-use products, divert single-use products from disposal in landfills, and prevent contamination of natural resources by discarded single-use products.

(c) Membership. The Single-Use Products Working Group shall be composed of the following members:

(1) a member of the Senate appointed by the Committee on Committees;

(2) a member of the House of Representatives appointed by the Speaker of the House;

(3) the Secretary of Natural Resources or designee;

(4) a representative from a single-stream materials recovery facility located in Vermont appointed by the Governor;

(5) two representatives from solid waste management entities in the State appointed by the Committee on Committees;

(6) one representative from the Vermont League of Cities and Towns appointed by the Speaker of the House;

(7) one representative of an association or group representing manufacturers or distributors of single-use products appointed by the Governor;

(8) one representative of an environmental advocacy group located in the State appointed by the Speaker of the House; and

(9) two representatives of stores or food service establishments in the State appointed by the Committee on Committees.

(d) Powers and duties. The Single-Use Products Working Group shall:

(1) Evaluate the success of existing State and municipal requirements for the management of unwanted single-use products, including a lifecycle analysis of the management of single-use products from production to ultimate disposition.

(2) Estimate the cost to the State and municipalities of management of unwanted single-use products.

(3) Estimate other costs of the management or failure to manage unwanted single-use products, including the effects on landfill capacity.

(4) Summarize the effects on the environment and natural resources of failure to manage single-use products appropriately, including the propensity to create litter and the effects on human health from toxic substances that originate in unwanted single-use products.

(5) Recommend methods or mechanisms for improving the lifecycle management of single-use products in the State, including whether the State should establish extended producer responsibility requirements for manufacturers, distributors, or brand owners of single-use products.

(6) If extended producer responsibility requirements for single-use products are recommended under subdivision (5) of this subsection, recommend:

(A) The single-use products to be included under the requirements.

(B) A financial incentive for manufacturers, distributors, or brand owners of single-use products to minimize the environmental impacts of the products in Vermont. The environmental impacts considered shall include review of the effect on climate change of the production, use, transport, and recovery of single-use products. (C) How to structure a requirement for manufacturers, distributors, or brand owners to provide for or finance the collection, processing, and recycling of single-use products using existing infrastructure in the collection, processing, and recycling of products where feasible.

(7) An estimate of the costs and benefits of any recommended method or mechanism for improving the management of single-use products in the <u>State.</u>

(e) Assistance. The Single-Use Products Working Group shall have the administrative, technical, financial, and legal assistance of the Agency of Natural Resources, the Department of Health, the Office of Legislative Council, and the Joint Fiscal Office.

(f) Report. On or before December 1, 2019, the Single-Use Products Working Group shall submit to the Senate Committee on Natural Resources and Energy and the House Committee on Natural Resources, Fish, and Wildlife the findings and recommendations required under subsection (d) of this section.

(g) Meetings.

(1) The Office of Legislative Council shall call the first meeting of the Single-Use Products Working Group to occur on or before July 1, 2019.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Working Group shall cease to exist on February 1, 2020.

(h) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings.

(2) Other members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than six meetings.

(3) Payments to members of the Working Group authorized under this subsection shall be made from monies appropriated to the General Assembly.

Sec. 3. EFFECTIVE DATES

(a) This section and Sec. 2 (working group) shall take effect on passage.

(b) Sec. 1 (single-use products) shall take effect July 1, 2020.

And that after passage the bill be amended to read:

An act relating to the management of single-use products.

And that when so amended the bill ought to pass.

Senator Pearson, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass.

Senator Nitka, for the Committee on Appropriations, to which the bill was referred, reported the same without recommendation.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the bill be amended as recommended by the Committee on Natural Resources and Energy?, Senator Bray moved to amend the recommendation of the Committee on Natural Resources and Energy in Sec. 2 (Single-Use Products Working Group), in subsection (d), by adding a new subdivision (2) to read as follows:

(2) Evaluate the availability and utility of compostable, single-use products.

And by renumbering the remaining subdivisions to be numerically correct.

Which was agreed to.

Thereupon, the recommendation of amendment of the Committee on Natural Resources and Energy, as amended, was agreed to and third reading of the bill was ordered, on a roll call, Yeas 27, Nays 3.

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

Roll Call

Those Senators who voted in the affirmative were: Ashe, Balint, Baruth, Benning, Bray, Brock, Campion, Clarkson, Cummings, Hardy, Hooker, Ingram, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Perchlik, Pollina, Rodgers, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: Collamore, McNeil, Parent.

Bills Passed

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

S. 149. An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

472

S. 160. An act relating to agricultural development.

Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence; Rules Suspended; Bill Messaged

Н. 532.

Senator Kitchel, for the Committee on Appropriations, to which was referred House bill entitled:

An act relating to fiscal year 2019 budget adjustments.

Reported that the bill ought to pass in concurrence.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence.

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

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.

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

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Irwin, Rebekah of Middlebury - Member, Board of Libraries - September 19, 2018 to February 29, 2020.

Was confirmed by the Senate.

The nominations of

Fishman, Noah of Waterbury Center - Member, Travel Information Council - July 20, 2018 to February 28, 2019.

Fishman, Noah of Waterbury Center - Member, Travel Information Council - March 1, 2019 to February 28, 2021.

Were collectively confirmed by the Senate.

The nomination of

Fitzgerald, James of St. Albans - Member, Transportation Board - February 1, 2019 to February 28, 2021.

Was confirmed by the Senate.

The nomination of

Harrison, Wendy of Brattleboro - Member, Transportation Board - March 1, 2019 to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Zalinger, Philip H. of Montpelier - Member, Transportation Board - March 1, 2019 to February 28, 2022.

Was confirmed by the Senate.

The nomination of

Loranger, Pamela of Colchester - Member, Transportation Board - March 1, 2019 to February 28, 2022.

Was confirmed by the Senate.

The nominations of

Dement, Jacqueline of Burlington - Member, Travel Information Council - July 20, 2018 to February 28, 2019.

Dement, Jacquiline of Burlington - Member, Travel Information Council - March 1, 2019 to February 28, 2021.

Were collectively confirmed by the Senate.

The nomination of

Dwyer, Carolyn of Montpelier - Member, University of VT and Agricultural College Board of Trustees - March 1, 2019 to February 28, 2025.

Was confirmed by the Senate.

The nomination of

Grinold, Adam of Wilmington - Member, Vermont State Colleges Board of Trustees - March 1, 2019 to February 28, 2023.

Was confirmed by the Senate.

The nomination of

Flory, Margaret K. of Rutland - Member, Vermont State Colleges Board of Trustees - March 1, 2019 to February 28, 2023.

Was confirmed by the Senate.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Lippert,

H.C.R. 99.

House concurrent resolution recognizing March as Bleeding Disorders Awareness Month in Vermont.

By Reps. LaClair and others,

H.C.R. 100.

House concurrent resolution recognizing May 19–25, 2019 as National Public Works Week in Vermont.

By Reps. Lippert and others,

H.C.R. 101.

House concurrent resolution recognizing former Representative Ann Seibert of Norwich for her leadership in the enactment of anti-smoking legislation in Vermont.

By Reps. Howard and others,

By Senators Collamore, Hooker and McNeil,

H.C.R. 102.

House concurrent resolution congratulating Ted's Pizza Shop in Rutland on its 60th anniversary.

By All Members of the House,

H.C.R. 103.

House concurrent resolution congratulating the American Legion on its centennial.

By Reps. Canfield and others,

By Senators Bray, Collamore, Hardy, Hooker and McNeil,

H.C.R. 104.

House concurrent resolution congratulating the 2019 Fair Haven Union High School Slaters Division II girls' basketball championship team.

By Reps. Partridge and others,

H.C.R. 105.

House concurrent resolution congratulating Bellows Falls Union High School Head Field Hockey Coach Bethany Coursen on being named the MAX Field Hockey 2018 Vermont State Coach of the Year and the New England Region Coach of the Year.

By Reps. Smith and others,

By Senators Bray and Hardy,

H.C.R. 106.

House concurrent resolution honoring Robert S. Thorn Jr. for his innovative leadership as a mental health administrator, counselor, and educator.

By Reps. Potter and others,

By Senators Collamore, Hooker and McNeil,

H.C.R. 107.

House concurrent resolution congratulating the 2019 West Rutland High School Golden Horde Division IV girls' basketball championship team.

By Reps. Masland and Briglin,

By Senator MacDonald,

H.C.R. 108.

House concurrent resolution congratulating the 2019 Thetford Academy Panthers Division III girls' basketball championship team.

By Reps. Masland and Briglin,

By Senator MacDonald,

H.C.R. 109.

House concurrent resolution congratulating the Thetford Academy Panthers Division III boys' basketball championship team.

By Reps. Masland and Briglin,

By Senator MacDonald,

H.C.R. 110.

House concurrent resolution congratulating the 2018 Thetford Academy Panthers Division III boys' cross-country championship team.

By Reps. Stevens and others,

H.C.R. 111.

House concurrent resolution designating April 2019 as Fair Housing Month in Vermont.

By Reps. Howard and others,

By Senators Collamore, Hooker and McNeil,

H.C.R. 112.

House concurrent resolution congratulating the Mt. St. Joseph Academy Mounties Division II boys' basketball championship team.

By Reps. Kitzmiller and Hooper,

H.C.R. 113.

House concurrent resolution in memory of former Sergeant at Arms Teresa M. Randall.

By Rep. Toll,

By Senators Kitchel and Benning,

H.C.R. 114.

House concurrent resolution congratulating the 2019 Danville School Indians Division IV boys' basketball championship team.

By Reps. Strong and others,

H.C.R. 115.

House concurrent resolution designating April 2019 as Veterans Suicide Awareness Month in Vermont.

By Reps. Burke and others,

By Senators Bray, Clarkson, Hardy, Hooker, Lyons and Nitka,

H.C.R. 116.

House concurrent resolution recognizing April 2, 2019 as Equal Pay Day in Vermont.